

December, 1919

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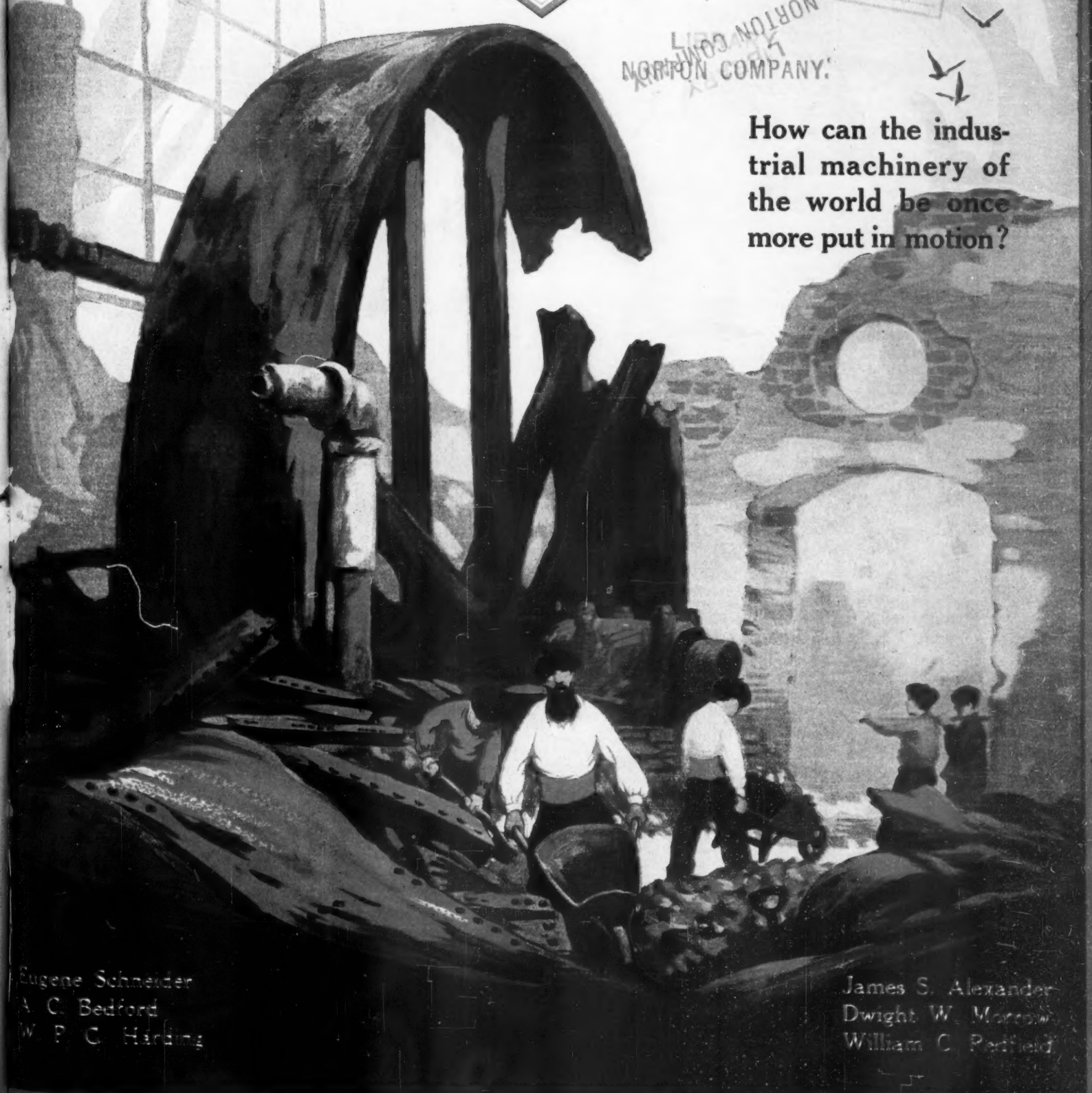
NATION'S BUSINESS



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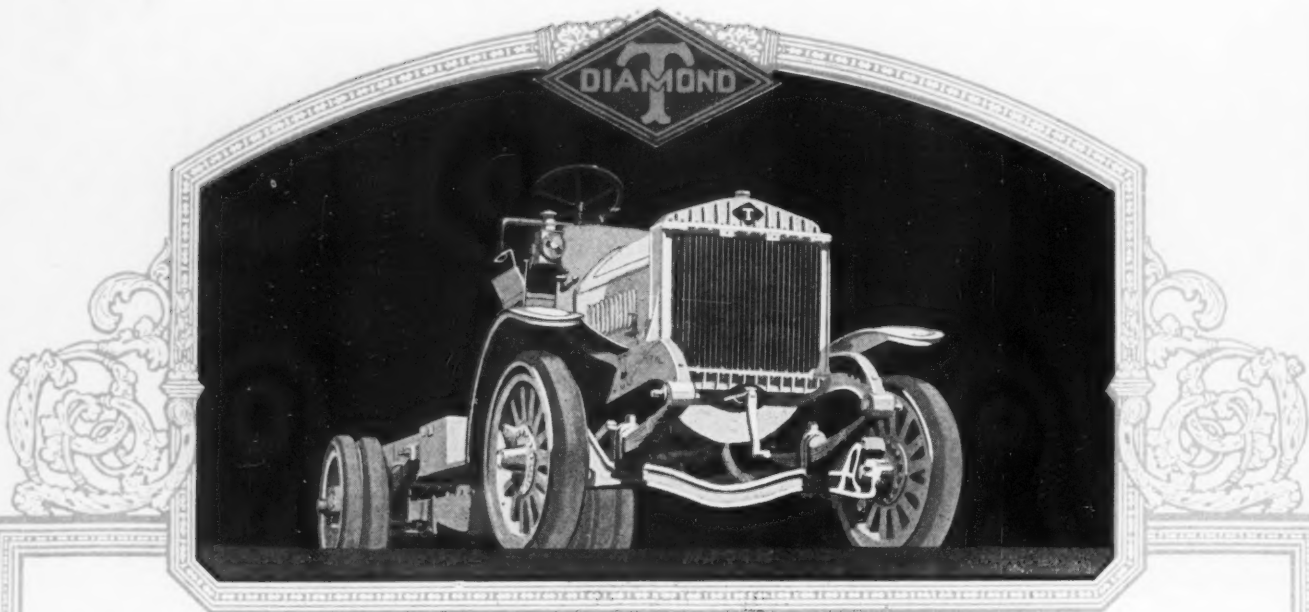
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How can the industrial machinery of the world be once more put in motion?



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DIAMOND T

"The Nation's Freight Car"

Railroads Are Asking for Help

ACCORDING to the announcement made public recently by the Director General of the United States Railroad Administration, the outlook, as far as the nation's transportation facilities are concerned, is not very encouraging. The railroad administration admits that a serious shortage of freight cars is inevitable and that—

"An unusually heavy grain and coal movement, deferred repairs and the construction of public highways in all sections of the country, and the concentrated requirements of suddenly reviving business, combined with the usual transportation requirements at this time of the year, threaten a serious lack of transportation facilities, unless all parties interested co-operate in securing the greatest possible utility from the existing limited transportation facilities."

The Director General urges all shippers and receivers of freight to redouble their efforts to promote freight-car efficiency. He asks the shipper to assist in this work by loading all cars to capacity, by prompt loading and release to the carrier, by ordering cars only when actually required, and by eliminating the use of railway equipment in trap or transfer service when tonnage can be handled by motor truck or wagon.

This appeal by the Railroad Administration to the nation's shippers should be welcomed by the motor truck dealer. It shows conclusively that the railroad is not capable of handling the transportation problems of this country without the co-operation of all having to do with shipping of the country's commodities. The motor truck dealer should feel encouraged by this statement of the railroads' executive, which shows that the railroads admit that short haul and transfer work legitimately belong to the motor truck. A great many shippers, however, have still to be educated to the innumerable advantages of this form of transportation. The statements made by the head of the Railroad Administration should be an incentive to the dealer to intensify his selling efforts.

Write for our thrilling booklet, *"The Tale of the Desert Snail"*—in which truth proves more wonderful than fiction.

—and they are getting it from "The Nation's Freight Car"

WITH the same dependability as our first truck, now in its ninth year of service, will any latest-from-the-factory Diamond T of today serve its owner, in any business and under any conditions. Overseas war-duty only re-proved the built-in stamina of "The Nation's Freight Car" and its available

Super-Service for Emergencies

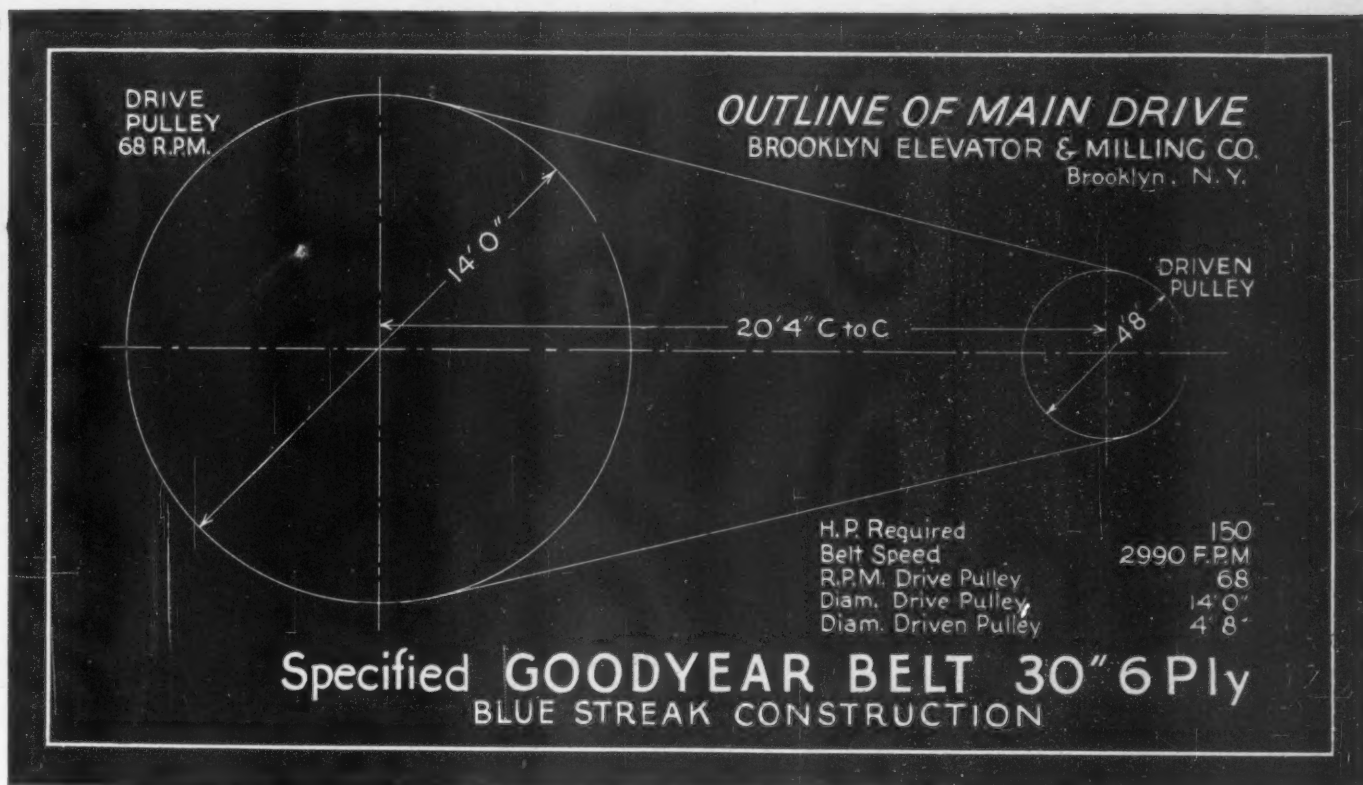
When Phoenix moving-picture houses were threatened with darkness by the railroad strike, a 1½ ton Diamond T Farm Special made the cross-desert drive from Los Angeles in sandstorms, washouts and cloud-bursts, 570 miles at 16 miles per hour, with a 2-ton load of films valued at \$100,000, arriving in Phoenix 70 hours later—on the dot and without a hitch.

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Builders of "The Nation's Freight Car"

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CHICAGO, ILLINOIS



A Main Drive, an Idler, \$3.28—and the G.T.M.

There used to be an idler on the main drive of the Brooklyn Elevator and Milling Company. There used to be expensive belts on the drive costing \$6.84 a foot. They used to last about 18 months. For more than two years that drive has been belted at a cost of \$3.28 less per foot than they used to pay—the idler has been taken off—and they have saved \$389.28 in 24 months on that one drive. It happened this way:

One day in 1916 a G. T. M.—Goodyear Technical Man—called and explained the Goodyear Plan of selling belts to meet conditions. He explained the plan in detail, pointing out that a belt was really a machine part and should be bought just like any other part, to fit the conditions—and not as one buys nails. He told them how the Goodyear Technical Man carefully studied a drive before specifying a belt for it, and enumerated some of the savings that had been made on the drives of a number of plants.

They asked him to study the main drive, because the expensive belt on it was just about giving out. He did so. He found that the idler on it could be dispensed with provided a certain kind of Goodyear friction-surface belt were used. He also found that the slow speed and other conditions could be

met better by a certain kind of 6-ply Goodyear construction than by the belt then in use.

He specified a certain 30", 6-ply Goodyear. It cost \$229.60 less than the belt they had been using. They decided to try it. It came, was applied, and has already given 24 months of trouble-free service—and still looks as good as new. With the old kind of belt that drive used to cost \$26.60 per month plus trouble and repairs. With the G.T.M.'s belt it has cost less than \$10.38 per month—and no trouble or repairs. For the 24 months the saving has been \$389.28.

Since then the G. T. M.—Our Mr. Kernohan—has been asked to study many other drives in that plant. His recommendations have saved so much for the company that when they built a new plant every drive in it was belted according to his analysis and specification.

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This number of **THE NATION'S BUSINESS** contains the high lights of the International Trade Conference. A full report of the proceedings has been published in book form and can be obtained by writing to the Chamber of Commerce of the United States, Washington, D. C. Copies in paper binding are \$1.00; in cloth, \$1.50.



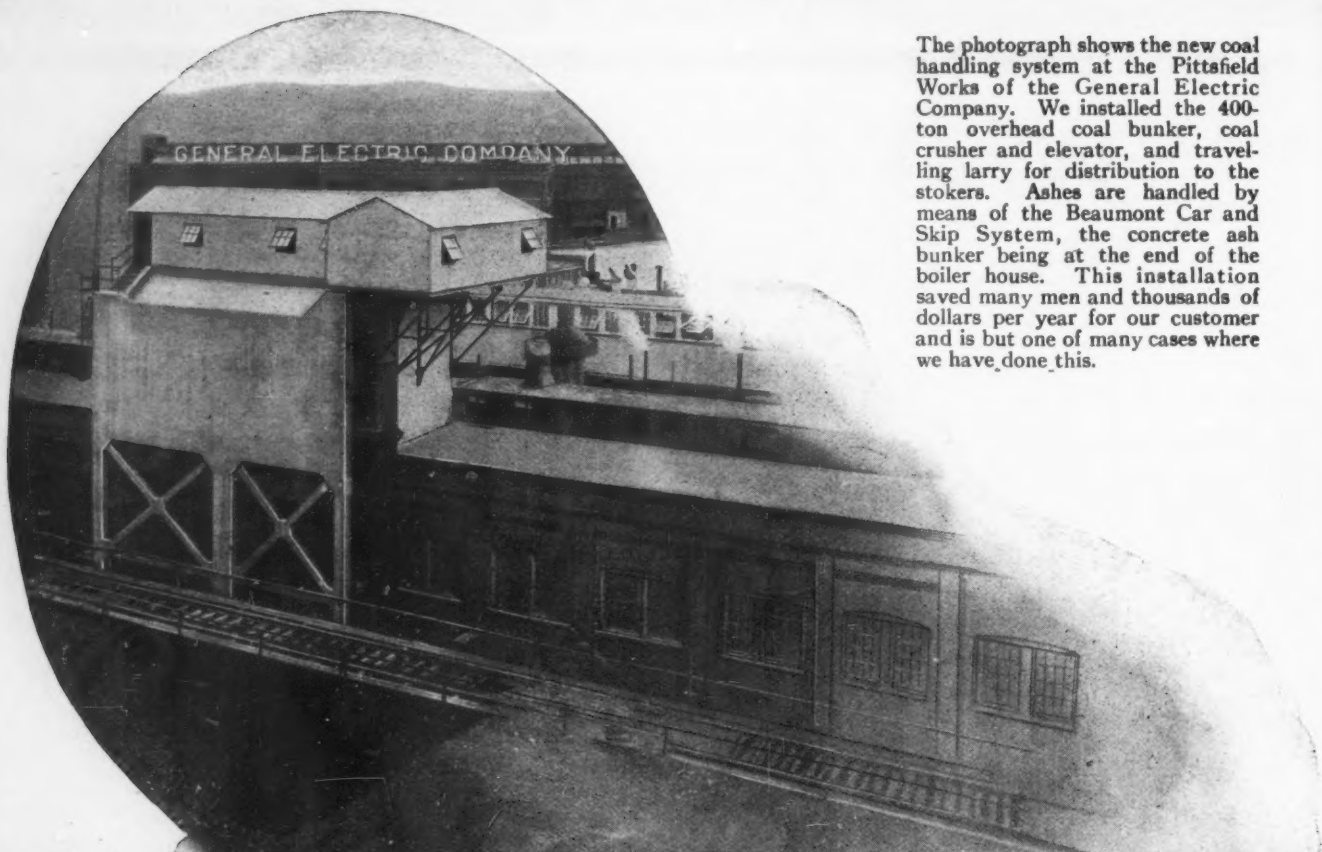
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The photograph shows the new coal handling system at the Pittsfield Works of the General Electric Company. We installed the 400-ton overhead coal bunker, coal crusher and elevator, and traveling larry for distribution to the stokers. Ashes are handled by means of the Beaumont Car and Skip System, the concrete ash bunker being at the end of the boiler house. This installation saved many men and thousands of dollars per year for our customer and is but one of many cases where we have done this.

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HERE is the story of how Delaware County, Indiana, got good roads, as told by the County Surveyor. Everyone interested in good roads should read it.

"Our first Tarvia road was built in 1914. Between 1914 and 1918 we constructed sixteen streets and roads, with a total area of about 2,880,000 square feet.

"Some of these are main streets in the city of Muncie, others are main roads subject to heavy traffic, while others replaced low-lying gravel roads that used to wash-out at every overflow of the river.

"Every Tarvia road and street in Delaware County has given uniform satisfaction. No repairs have been necessary.

"Our so-called 'hard' roads, built of brick or concrete are often claimed as permanent construction, but we have in this county brick roads and streets built less than a decade ago that are almost impassable and must soon be rebuilt. New material will be required because the old brick cannot be used again.

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(Signed) S. Horace Weber,
County Surveyor

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THE NATION'S BUSINESS

A Magazine for  Business Men

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DECEMBER, 1919

The Rights of the Public

Our government does not attack the legitimate operations of labor unionism, but it will surrender to no one group and will assert every power to protect the sovereignty of the people

By A. MITCHELL PALMER

Attorney General of the United States

THIS is a critical hour in the life of our country. The test is being made whether the Government has the right and the power to protect all the people from a national disaster which would be inflicted upon them by a single group for its own advantage.

The strike of the bituminous coal miners, at the time and under the circumstances in which it was called, involves much more than a dispute between employers and employes over the wages, hours, or conditions of labor. In the proceedings which the Government has taken to prevent the strike, we have been careful not to take sides in the controversy between the operators and the miners. Nothing that we have done is intended or designed to have any effect upon the recognized right of labor to organize, to bargain collectively through its unions, and, under ordinary industrial conditions, to walk out by concerted action.

There is involved the right and power of the Government to vindicate its own authority and sovereignty. The offer of a peaceful settlement of the strike through the instrumentality of an impartial tribunal was rejected and the Government faced the alternative of submitting to the demands of a single group, to the irreparable injury of the whole people, or of challenging the assertion by that group of power greater than that of the Government itself. Confronted with such a choice, the Government's duty was perfectly clear: it refused to surrender to the dictation of any group and it proposes to assert its power to protect itself and the people whom it is designed to serve.

The railroads of the country, while under Government control, made contracts for the delivery of nearly 400,000 tons of coal a day. This fuel is absolutely necessary to their continued operation. If the coal strike continues, these contracts cannot be filled,



People have begun to wonder whether the world is going to follow the example of the man in the Mother Goose rhyme who "jumped into a bramble bush and scratched out both his eyes." Here is some straightforward talk from the Attorney General that is to the point.

railroads cannot get fuel and will stop running. These contracts are in turn dependent upon certain other contracts which the miners, through their right of collective bargaining, entered into with the operators under the sanction of the Government, intended to expedite the production and distribution of coal under terms and conditions therein provided. It needs no argument to prove that the stoppage of railroad transportation would be a national calamity, destructive of life and property. Other industries, engaged in the production of the necessities of life, would likewise be compelled to stop; food could not reach the cities and towns; pestilence, starvation and death would ensue.

A Threat Backed by Winter

IT would be impossible to adequately portray the woeful consequences to all the people if the production and distribution of the necessities of life should be halted in the short, dark days of winter. While the right to strike in all ordinary industries, under

normal circumstances, can not be denied, there are some callings which are so closely related to the life, liberty and security of the people that the right to strike in those cases must be subordinated to the superior right of the public to enjoy uninterrupted service. Where the right of collective bargaining has been recognized and the peaceful processes of settlement of disputes have been offered and rejected, no government worthy of the name can permit the strike weapon to be used to enforce the demands of a single class of workers at the expense of all the people.

Suppose, for example, the employes in all the departments of the Federal Government should determine to strike at one time. The three branches of the Government might all be paralyzed simultaneously, the Congress would be unable to legislate, the courts would cease to function, and the executive branch of the Government would be prevented from performing its obligations. Such a thing could not be tolerated. The Government has the undoubted right of self-preservation and is endowed with all the power necessary to exercise that right.

Members of the police forces and fire departments of our cities are public servants, bound in honor to serve the people. They cannot be permitted by concerted action to desert in a body and leave the public at the mercy of crime or conflagration. This is not saying that men in such service may not have redress of their grievances, but that redress must be sought through the orderly processes of adjustment, either by negotiation, arbitration or otherwise, and not by the direct action by which men take the law into their own hands to force their claims upon a suffering people.

In a statement recently issued by officers of the miners' union, reference is made to the "supreme authority" of the miners' or-

ganization; the question which we must now try out is whether the by-laws of the miners' union shall prevail against the great needs of the people and whether the "supreme authority" of any non-governmental body can be substituted for the authority of the Government under the law. If our Government should fail to protect itself and its people in this emergency, it would be unworthy of the noble sacrifices that have been made by its sons upon every field of battle in its glorious history and unfaithful to the fundamental principles upon which the fathers constructed this Government of all the people.

One of the most insidious attacks upon our Government and its institutions is the proposed use of the strike weapon for political purposes. Grievances against the laws and their administration must be settled in the ways which have been provided by the people. Reforms in our body politic may be accomplished only through the methods designed for the purpose of change and improvement in response to the popular will. They cannot be forced by methods which

seek to terrify a people into submission.

There are men in the country who have no sympathy for our form of government and no respect for our institutions. They would transplant the chaos of Russia in American soil. They have gained influence in the councils of organized labor, some of them as leaders in positions of authority in the unions and others as blatant advocates of ultra-radical doctrine seeking to force the hands of sane leaders in their organizations.

A striking instance of this tendency was the action of the Pennsylvania State Federation of Labor, in its convention at Pittsburgh, November 2, 1919, when, under the leadership of James H. Maurer, it authorized a general strike in all trades in Pennsylvania as a protest, "unless steps be immediately taken granting the constitutional rights of free speech and liberty of public assembly." The guaranty of free speech must be carefully preserved and the wise men who wrote it into the Bill of Rights were careful to provide the methods by which it should be preserved. The lawful remedies

are at hand. It is not necessary that a whole people should be deprived of the necessities of life in order to enforce those remedies.

I cannot believe that the vast body of the membership of the State Federation of Labor, which is loyal and patriotic, will support this revolutionary plan. Such methods will set back the righteous cause of labor for half a century because it will undo much that the wise, able and patriotic leaders of organized labor have been able to accomplish in America. The high position of American labor today is due chiefly to the splendid leadership of men like Samuel Gompers, president of the American Federation of Labor, and William B. Wilson, Secretary of Labor. But Maurer is not of their kind.

It will be a glad day for labor in America when men of the Maurer type lose their influence in its councils. Until that day comes, we can give the honest patriotic working men of the nation no greater help than by preventing the Maurers and Fosters from accomplishing their thinly concealed revolutionary plans.

Babel---or Something Better?

The International Labor Conference was called by the League of Nations before that body was officially baptized; it constitutes an interesting experiment in stabilizing world labor conditions

By ERNEST H. GREENWOOD

Deputy Secretary General

STRANGELY enough the International Labor Conference at Washington, going on under our own noses, attracts very little attention throughout the country. With prohibition and strikes at home the average American evidently feels that he has plenty to worry over. Eighty-cent eggs bother him more than eight-hour days and for the present at least he appears to be more concerned about the shortage of alcohol than about the shortage of labor. But the fact that our own reading public is not excited about it is no proof that the Labor Conference is not important. In practically every other country in the world it has the front page and the head lines.

And well it may. It is a brand new experiment in international relations with regard to labor. It is a pity, however, that it has been called a labor conference. It is no more a labor conference than it is an employers' conference. There are just as many of one group present as there are of the other and there are three times as many Government representatives as there are of either.

A great many well-meaning people have jumped to the conclusion that it is a sort of international conference of labor unions. One United States Senator even staged a display of oratorical fireworks while under the apparent impression that it was a sort of reunion of admirers of Lenin and Trotsky. He was probably at least mildly surprised to discover the next morning that some of the biggest and ablest business men in the world were sitting in the Conference. It was also pointed out to him that he had loudly called for the deportation of several properly accredited

GOVERNMENT representatives, employers, and employees of forty different nations, speaking every tongue known to civilized man, and met together to arrive at new industrial standards for world-wide adoption, inevitably suggest the building of the ancient Biblical Tower. May they not fall into a confusion of tongues! The potentiality of their undertaking is enormous. Many difficulties have already been surmounted. Here are the main features of the conference, with certain humorous highlights, sketched by the Deputy Secretary General. Mr. Greenwood gives a swift but comprehensive survey of the situation.—The Editor.

ministers to the United States. It as fortunate they were such for their services were needed that morning to explain to the other delegates.

Although the Conference is envisaged in the treaty as an integral part of the League of Nations, it was actually convened and commenced its deliberations before the League of Nations was in effect. At the time the Treaty was signed, on the 29th of June, it was thought that the necessary deposit of ratifications would be made within a short time and that the League would be in existence at least not later than the first of October. The Treaty provided that the first meeting of the International Labor Conference should be held in Washington in the month of October, and there was no author-

ity provided for its postponement until a later date. It was therefore necessary for the President to call the Conference within the time set or refer the matter back to the Supreme Council at Paris.

The selection of a subsequent date would in fact have been an amendment to the Treaty and would have required the consent of all nations signatory.

The Conference is therefore proceeding upon the theory that it has been convened within the time set by the Treaty and that the process of organizing is a continuing one. By the time this article appears in print there is no doubt but that conditions will have so changed as to regularize its proceedings.

The principal purpose of the Conference is to secure international agreements among forty nations differing from others in industrial development, customs, habits and business practice and speaking every tongue known to civilized man. If the reader will look that sentence in the eye once or twice and then read it over again there will begin to dawn upon him some idea of the difficulties involved in the undertaking.

Starting this International Labor Conference was no idle pastime. A gentleman named Job, it will be remembered, had some passing acquaintance with trouble. At a somewhat earlier period in history some of his ancestors are supposed to have brought a little bad luck to a certain king of Egypt named Pharaoh, who thereafter experienced various plagues, which experiences are sufficiently set forth in Holy Writ and need not be related here. But neither Job nor Pharaoh was astute enough to arrange for

moving pictures, and therefore we have no visual testimony to serve us as a basis for comparison. It is safe to assume, however, that neither Job's afflictions nor Pharaoh's plagues were, as they would say in the Tennessee mountains, a "patchin'" on the troubles of the officials whose duty it was to arrange for the nation's guests.

As the time set for the opening of the conference approached and the plans of the Department of Labor for the accommodation of the delegates gradually took form, very little thought was given to the general attitude in Congress both toward the administration and toward all things pertaining to the League of Nations. It was supposed that Congress, having authorized the President to issue an invitation to all the Nations signatory to the Treaty of Peace to come to Washington for the purpose of attending an International Labor Conference and to make the necessary arrangements, would immediately provide the required appropriations for this purpose and that the Public Buildings Commission would provide suitable space for office facilities in which to conduct its business.

When its spokesman went before the Appropriations Committee to explain the need of the Department for \$200,000 for expenses he related in detail the conduct of an affair involving the diplomatic representatives of forty different nations with twenty-two languages. He presented a carefully prepared budget based somewhat on the experiences of the officials in charge of the Peace Conference. He explained the necessity for a large secretariat and how that secretariat was in reality the business manager of the conference.

Esperanto Would Come in Handy

FOR EXAMPLE the Secretary General, Mr. H. B. Butler of England, has a chief assistant secretary and two Deputy Secretaries-General. The chief assistant has charge of a corps of assistants who act as secretaries of the various commissions created by the Committee on Selection and to which everything coming before the conference is referred for study and analysis. These secretaries must be expert linguists, for these commissions are made up of many different nationalities. Then there is Dr. G. Pardo (Italy), Deputy Secretary-General, who has charge of all translation, interpretation, and the final official record. The translation alone requires innumerable highly skilled translators, men who can sit down to a typewriter and translate from English to French, French to English, English to Spanish, English through French to Spanish and as it often happens from anyone of the twenty languages represented in the conference. This work requires an army of stenographers of different nationalities, many of which had to be imported.

The work of interpretation, in charge of Dr. Velleman of Switzerland, is also of the greatest importance. Some of his assistants, who were gathered from every quarter of the globe speak from 15 to 21 languages and can jump from one to another without a break. The other half of the Secretariat under the writer is the executive or business office. This branch has charge of the hotel as well as the office accommodations of the delegates and advisors, the official reporting of the proceedings in the two official languages, the printing of the proceedings in English, French and Spanish each night, the proper equipment of both offices and the conference room in the Pan-American Building, including the furnishing

of the vast quantities of supplies necessary, the expenditure of all moneys and the accounting for the same, the distribution of all documents, notices, etc., to the delegates which goes on from eight o'clock in the morning until midnight each night, the operation of half a dozen information offices in as many different locations and innumerable other details requiring a staff of well over one hundred persons.

But to the Appropriations Committee it seemed to present the opportunity to preach economy. At any rate, the bill as it finally came out provided for only one-third the sum asked for, and that itemized in such a way as to make it extremely difficult to use any part of it. Among the things worth noting are that the number of translators provided for was about one-fifth the number required, and the number of messengers about one-tenth. The truth of it all is that not a cent was saved. Under the Treaty of Peace, it is provided that all the expenses of the conference shall be paid by the League of Nations, and the appropriation, after all, is only in the nature of an advance until the League is established.

When a Feller Needs a Friend

WE can all appreciate the way a man would feel if he found himself in an expensive restaurant with his best girl after a fine dinner and a check for \$12 looking him in the eye and 35 cents in his pocket. Blessed is he who in such circumstances can persuade the cashier to take his watch for security. In such a fix did the American officials find themselves—with no watch to hock. In that plight they did just what any young man would have to do, if the cashier or waiter had turned him down—confess the situation to the girl and take the chance of borrowing the money from her. They went to the British and admitted that they were broke.

Long before the deficiency bill was finally passed a cable was sent to the Secretary General of the League of Nations that no funds were available, and they were immediately provided.

Up to the time of writing every penny of expense has been paid out of funds cabled from abroad. Even the little 25-cent silk flag of the United States, drooping from its sturdy staff on the table before the empty chairs reserved for delegates from America was paid for in this way. The cost of the beautiful grouping of the flags of all the nations at the West end of the hall was submitted to the representative of Sir Eric Drummond before the order was placed.

The Secretary of Labor wrote to the chairman of each committee explaining the exact nature of the work to be done and requested that the appropriation be made in a lump sum and that an item of \$10,000 be changed into a contingent fund. The answer to this was to eliminate the \$10,000 altogether. That letter will go down in history as "the \$10,000 letter." The conference officials had to admit that it was one on them.

When the question of providing suitable office accommodations came up, the Public Buildings Committee got busy. At first their objection was that the United States had not ratified the Treaty. After it had been explained to them that ratification of the Treaty was not necessary, they produced one or two badly damaged buildings and suggested that possibly they might be used in part. So the Department of Labor went begging once more. The Secretary of the Navy, hearing that the official headquarters of the confer-

ence was about to be located in a barn, came to the rescue, and provided sufficient space to give each delegation a place to hang its hats and go to work.

So, in spite of everything, the conference is smoothly started and is giving every indication of continuing to run smoothly—that is as smoothly as any international affairs of this character can be expected to run.

While these troubles were being met in the United States there were other people in Europe who were not idle. Every Red in Europe immediately began throwing monkey wrenches into the machinery.

No opportunity therefore was overlooked in the propaganda of the revolutionary wings of the various socialist organizations throughout Europe to discredit the conference and to create among workers the impression that it was simply a scheme of employers to further oppress wage earners. However, it must be remembered that the authors of such propaganda do not in the long run speak for the dominant element in the labor movement. There are too many men who have been meeting with employers bargaining back and forth and adjusting their mutual relations who will never seriously entertain the theory that employers and employees are natural enemies. It is very difficult to hate a man with whom you have satisfactorily transacted business for some years.

So although this propaganda did much to discredit the conference it eventually failed of its purpose. It had to fail because there were too many men in Europe who had had good relations with their employers and who refused to believe that every employer necessarily had horns, hoofs and a tail.

Another thing to consider is the sharp distinction in the conference between East and West. Sixty years ago there was not a factory in Japan. Today Japan is rapidly becoming one of the leading industrial nations of the world. It is enlightening to watch the Japanese at the Labor Conference. Great Britain sent twenty people, and Great Britain is a fairly sizeable nation. France sent sixteen. The Japanese sent approximately sixty. In addition to this, their delegation was accompanied by twenty-five "newspaper men." There are Japanese in the hallways. There are Japanese in the committee rooms. There are Japanese everywhere.

Watching the Political Winds

THE situation affects every nation, even staid old Britain, which we think of as at the other extreme. Labor is growing very strong politically in England. Yet there are other powerful interests which must be reckoned with. The British landed gentry and the British manufacturers are by no means to be ignored. The British politician with an eye to the future is not certain which crowd will land on top. As it is, the British are playing safe. They don't care to antagonize labor and so they must be for the eight-hour day. At the same time they don't care to incur the wrath of the manufacturers by introducing an eight-hour day over night. Consequently they will stand for some middle scheme which will provide for an absolute eight-hour day some nine or ten years hence and will provide for a gradual transition from the present state of affairs to that of the absolute eight-hour day. In other words, it is good politics in Great Britain to soothe labor, but not seriously to ruffle capital.

But there is a conflict between the British

(Concluded on page 55)

The New Call to Arms

It is for the business man of the United States, who is needed to help re-establish economic order, to guard the peace of nations and protect social progress both in his country and abroad

By A. C. BEDFORD

Chairman of the Board, Standard Oil Company of New Jersey

AMERICA was late in entering the war, but when we did enter we sought to bear our full responsibility. The responsibilities of victory rest upon our shoulders quite as much as did the responsibilities of war. The American people realize that the paths of destiny call us to a comprehension of the problems of the world at large. And American business men are fully conscious of the truth of President Wilson's statement that the destinies of the world will henceforth in large measure rest with those who conduct the commerce of the world.

We feel that there is a new call to arms to the American business men to enlist in the cause of reestablishing economic order and of maintaining peace and social progress. We want to join in this cause with the business men of France, of England, of Belgium and of Italy.

We are told that by reason of the high prices prevailing here and the high rate of exchange, it may be found necessary for some countries to buy in other countries than our own. We of the United States are eagerly desirous of extending our trade wherever it can be wisely and legitimately done. But we would be the last to suggest that any nation should buy our goods if they can obtain the same goods under better conditions elsewhere.

Fair and Open Competition

WE feel that if we are to induce the world to buy our goods, we must meet the competition of the world fairly, honestly and openly. Every nation should buy in the best possible market, and the future health of the commerce of the world depends upon a thorough-going application of this principle.

International commerce had been hundreds of years in arriving at that nicety of balance by which the peoples of the different countries were enabled to enrich their lives and add the sum of human comfort by trading freely with each other. We know that by the breath of war, this finely poised equilibrium was upset; that now, nearly a year since the armistice was signed, our business relations are still far from the stage where the freest interchange of commodities can be resumed.

Not only the physical comfort and well-being, but the very lives of millions of people, depend upon the barriers lately erected in the wake of war being leveled, until the channels of commerce can be reopened so that the commodities upon which human existence depends, may flow unchecked from where they are most plentiful to where they are most needed.

Almost fantastically strange economic conditions confront us on every hand. We cannot be surprised to find that this great war, like other wars, had enormously displaced the ratio between commodities and money, reducing the supplies of commodities and enormously augmenting the paper currency and deposits set off against them.

We have to deal with the outcome of this situation, which, as was inevitable, is high prices, or rather one of the fundamental causes of high prices. It seems to me that much of the success of our efforts just now will depend upon how we regard this step-child of the war.

The annual review of the Swiss Bank Corporation for the year 1918, shows that, leaving Russia out of consideration, the note circulation of the belligerents increased during the war by 447 per cent, while during the same period, their gold reserves increased only 45 per cent.

The existence of this great mass of paper currency precludes the possibility of a rapid fall in prices, even if such a trend would not find formidable obstacles. High prices may be regarded as a symptom of unsoundness. But we can all appreciate the danger which would accompany any rapid fall in prices which would cause goods to sell at less than they cost, and the repayment in dear money of debts which had been contracted in cheap money.

For these primary reasons it seems as if we must be reconciled for the time to a changed valuation of money and adjust ourselves to a permanently higher level of prices. I mentioned these few things because, in my opinion, they have much to do with the matter of credits, and credit is the kernel of the world's problems today.

The debt of the Allies to America is of an entirely short-dated character, and it would seem that commercial recovery will have a close relationship to the funding of these

debts over a lengthy period. This will permit of the freer movements of foodstuffs and raw materials which are so urgently needed overseas, and which we are determined to strain to the utmost limit of our ability to supply. The question of high prices is neither of dominating influence now, nor will it be of supreme importance, when credits in the long future are being liquidated. The present duty is to arrange these credits rapidly enough to relieve the existing international situation.

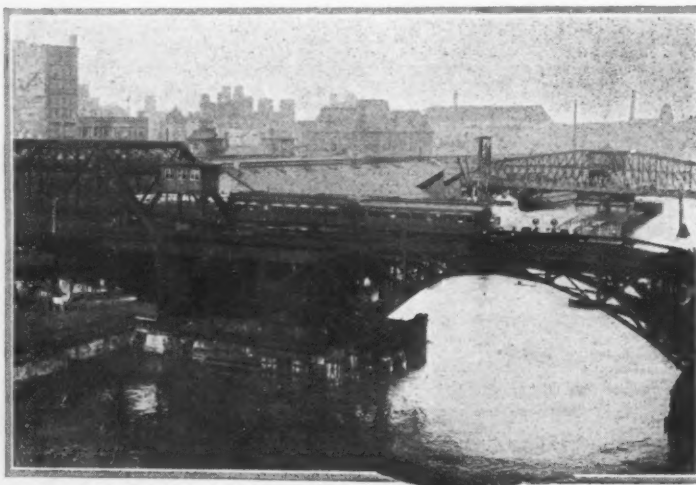
We are anxious to do this. We are prompted not altogether by business reasons to help bring about real prosperity, which we feel can never exist while so large an area of former economic activities are unproductive.

A good business man, however, always welcomes new problems that challenge his ingenuity and strength. Great Britain, France, Italy, Belgium and the United States are all in the same boat, in a sea from which buoys and lights have been mostly swept away. We must chart new courses to reopen channels of trade. We must do away with artificial war created obstacles as rapidly as possible to permit the resumption of normal movement of goods and credits.

The supply of labor everywhere is inadequate, hence the necessity of increased individual industry and production. Fortunately we have learned to multiply production per capita by more widespread development and use of machinery. Those of us who have witnessed the operation of marvelous devices created to serve as agencies of destruction, will be little surprised to find even more ingenious use made of power-driven mechanical devices in the interest of reconstruction.

Electricity for the Orient

THE Orient is open for electrical products of all kinds. The International General Electric Company in Shanghai is putting out high-grade incandescent lamps and the Chinese are displaying interest in electric street-lighting. China is also taking up cotton manufacturing—hence motors and such equipment would supply a demand. Telephones offer an excellent field also. In Japan hydroelectric service in the management of water-power is a splendid opportunity, and Japanese telephones do not compare with the magnitude of American service. The Japanese believe that electric fans make you bald—the Dutch have taught them so! But there is a big opening for electric fans in Java.



Convalescence

The period through which European nations are passing must not be taken for dissolution; a country which produced the muddy and immortal poilu cannot perish

By EUGENE SCHNEIDER

President of the Creusot Steel Works and President of the French Iron and

Steel Institute



Photo by U. S. Signal Corps.

WHEN the armistice was signed all the powers were more or less like sick men who, no sooner has the fever abated, than they think they are well again and start about their business. They are taught by their helplessness that between sickness and health there is an intermediate state called convalescence, and they learn to their cost that convalescence is as hard to overcome as sickness. Only now are we really able to begin to measure the havoc wrought by the awful disease that war is.

The physical havoc is easily seen. Cast up the account of the wooden crosses in the cemeteries, of the women in mourning in the streets; visit the Venetian provinces; go through Belgium, through Poland, through Serbia; cast up the account of devastated fields and forests, burned factories, villages blown out of existence; cast up the account of billions owing by the nations!

But, even when you have made up the tremendous total, you will not yet understand the enormity of the destruction wrought by the German people in their last war, the immensity of the whirlpool where they have engulfed men and money. There are figures so stupendous that our imagination is at a loss to comprehend them. Can you represent to yourself 10 million slain, 10 million dead men, lying in three parallel continuous lines stretching from New York to San Francisco? Add to the wounded and the maimed and those that war has rendered unfit. You must bear in mind that a mass of over thirty million human creatures have suffered from the war, being either utterly destroyed or broken forever.

When an attempt is made to rate the material losses, the results arrived at are terrifying. In France alone, the damages inflicted upon dwellings, farms, mines, factories, railroads, canals and highways amount to a total of 27 billion dollars. Add to that figure the war-expenditure proper, including pensions payable to the widows and the maimed, and the total for France rises to 71 billion dol-

lars, a figure officially given to the Chamber of Deputies on September the ninth last.

To the different nations which took part in the war, it is generally admitted that the cost has been more than 200 billion dollars. What brain can conceive of such a sum? The Franco-German war cost France 2 billion dollars, including the indemnity exacted by Germany; the Russo-Japanese war cost Russia over a billion dollars and Japan half a billion; the Civil War cost 3½ billion dollars. But the war of 1914-1918 has cost ten times more than all the wars waged in the world since 1850.

Formidable though these figures are, they do not tell all the facts. One of the most evil effects of the war has been the diminished production of certain raw materials indispensable to modern life. Everyone is aware, for instance, that the world lacks coal. So acute is this shortage in many parts of Europe that it impedes industry, interferes with railroad haulage, delays shipping and thus accentuates the general burden of reconstruction, while the people are deprived of the fuel upon which they depend for cooking and heating. Likewise, there is a shortage of cotton, linen, wool, fertilizers, oil, sugar, grain, etc.

Heirs of Former Generations

AT the outbreak of the war, each nation was like a vast firm whose cellars and stores contained stocks accumulated by former generations. At the present time, cellars and stores are well nigh empty. We used all our stocks and for a space of four years we produced only to destroy. Never have the wants of Europe been greater nor her resources more scanty. Eleven months after the armistice, eleven months after our victory, we are poor, weak, crushed under an enormous debt; our populations are too scantily fed; rationing is still in force; the cost of living continues to rise at a more rapid rate even than wages or salaries; many a home is not even assured of its daily bread.

To be fed and clothed, to set industry going and give employment, we must buy abroad. And, as we cannot sell abroad in the same proportion, the exchange rate of our currency rises against us, therefore our purchases cost us more, causing our debts to increase and our credit to fall. Where once we were creditors, we have now become debtors.

Gold currency is no longer seen. The distribution of wealth in the world, the value of money, international trade, the conditions of labor have all changed. The sudden return to peace has not been able to stop our countries on the steep slope where war was rolling them.

With its iron-gloved hand, war had stimulated zeal, brushed aside petty jealousies, curbed impatient minds, subdued bodies and souls but, as it now suddenly disappeared, there surged upward clamorous demands, selfish passions and interests either hitherto suppressed or utilized for a superior end. Such a state of mind supervening in such a precarious economic situation, such a paroxysm of excitement upon too weakened a system, could not but stir up numberless complications.

The first intimation given to us of this state of affairs was a slackening of effort. Overstrung muscles were seeking rest. There spread over the nations that had been so long at war a wave of indolence. The workers, pleading the sufferings they had so bravely undergone, claimed an eight-hour day. In vain did economists point out that to remedy the general shortage it was necessary to work and increase production. No one cared to overlook the merits of the workers nor their right to concessions; what they demanded was granted; moreover, the men promised to do in eight hours the work pre-

viously done in ten. In actual fact, however, with fewer hours of work an alarming decrease occurred in production.

Then came a wave of delusion about the efficiency of Government intervention, a blind belief in its absolute power and its inexhaustible providence. During the war the Government had been dictator and sole employer. The Government provided everything. The Government paid high wages. There was no limit to its wealth and liberality. No one complained. No one thought of resisting. The habit had only to be continued and the times of bliss predicted by Karl Marx would be at hand.

Socialization and nationalization were put forward as sovereign remedies for all diseases. The railroads, the mines, the merchant fleets, water-power, if nationalized, were to bring back abundance and prosperity; and the masses began to demand, in a more pressing manner, a radical social transformation.

Holding off the Blessings

YET the cost of living continues to increase day by day. It is attributed to the scarcity of foodstuffs, depreciation of money and disorganized transportation. But the reduced production, the increased wages and, above all, the growing demands of consumers and the general rapacity of merchants and dealers have their share in the crisis. At any rate, the cost of living spreads dissatisfaction and is the chief obstacle to the blessings of Peace.

And, lastly, note that, at the close of the war, men have become more impatient and violent. They demand immediate satisfaction of their uttermost desires. They listen willingly to agitators and extremists. In five years' time the world has been thrown out of gear. Yet these men pretend to put it right in one day, without taking into account either past or present circumstances.

One of the consequences of this impatience is the multiplication of strikes. Never have

strikes been more numerous nor more brutal, yet never has there been a more conciliatory spirit among employers. Never has the stoppage of work had more disastrous results.

It must be acknowledged that wisdom is in peril and we are tempted to recall the fable told ages ago by Agrippa of the stomach and the limbs. But why wonder that amidst the universal upset the human mind has turned giddy? A new name has been bestowed on the malady from which it suffers: Bolshevism.

Everyone knows what the word means. If, at certain times, and in certain places, the illusion was entertained that out of Bolshevism might be evolved a stable and prosperous regime, it is only too sure today that in the grip of that mad force, Russia is slowly dying. Nothing is more tragical than the death-throes of that gigantic body, convulsed by madness. When one thinks of the sacrifices made by the Russian people in the common cause, one cannot but feel an immense pity. It behooves us to keep ever before us that Bolshevism is a social plague which must be prevented from spreading at any cost. Bolshevism is dangerous both directly and indirectly.

Now, that convalescence must first take place in the domain of economics, restore the economic balance and the moral balance will be restored of itself. The man who receives wages adequate for his wants, who is decently fed and can feed his family decently, does not ordinarily dream of complaining. He listens no more to evil influences nor cares to bear through the world the torch of revolt. It was said long ago that the social question was a food question. Without scarcity of food and bankruptcy, how many revolutions would have been impossible!

Under the pressure of circumstances and taught by experience, the Allies during the war, in the same way as they entrusted their military operations to one mighty brain and generous heart, organized their production

for the common good. To a united military front corresponded a united economic front. Each government would cast up the account of its wants and receive its proportion of foodstuffs, raw materials and tonnage.

After the armistice, it was thought that Liberty would be sufficient to restore abundance and harmony in the world. It was thought necessary to allow the individual to exert his spirit of enterprise and leave the different governments to their own responsibilities. To continue inter-allied cooperation seemed like putting a premium upon carelessness and laziness, everyone being able at any time to count upon the help of the others.

The Penalties of Liberty

BUT is not Liberty at once the best and the worst of systems? All depends upon circumstances and environment. Salutory today, she may be fraught with evil tomorrow. It may be expedient to restore her only by degrees. To bring her back suddenly may destroy everything. Liberty, to take wing, must have a more stable starting-place than chaos.

At any rate, since November, 1918, it cannot reasonably be pretended that the convalescence of the world has made any progress. The evils from which it suffers have become worse. Products have reached formidable prices. Their distribution meets with a thousand difficulties. The crisis of international money exchange has assumed unlooked-for proportions. Dissatisfaction, insecurity, anxiety are growing apace.

The experience has been so conclusive that the Allies have called together again the Economic Council which they had thought it possible to dissolve. Once again, they have felt the necessity of cooperation, the necessity of following a preconcerted plan, now that new enemies, Anarchy and the spirit of disorder, must be crushed as Germany was crushed.

When they invaded Belgium, and especially



Photo by U. S. Signal Corps

With millions of her strongest men gone, France, like other European countries, is confronted with the necessity of increasing her output per man. Here is an American binder cutting

fields that used to be harvested laboriously with hand cradles. Judging from their indignant appearance, the horses, like the two farm hands, have just been given their discharge from the army.

the north and northeast of France, the Germans systematically destroyed all industry likely to compete with theirs after the war. They set fire to towns and villages, laid waste the fields, cut down the orchards, enslaved the young, and put to the sword, generally in cold blood and with revolting ruthlessness, old men, women and children. In carrying out their wicked work they thought, "Triumphant or beaten, our enemy needs must succumb under such treatment." The Bulgarians, when they invaded Serbia, acted in the same way.

Today the unity of the Allies alone can foil such base schemes. Without that unity we must proclaim from the housetops that the world will emerge from Victory beaten, and Germany will have won the war. Everyone must be absolutely enlightened on that score. Given the circumstances under which Victory was won and the price it cost, it is only a provisional and conditional victory. To be final, the victorious team of today must be the more prosperous in ten years' time. The honor of the Allies would be tarnished if any of them, through lack of help, now died of war wounds.

When America entered the war, she said, "To the bitter end." Now, a military victory is not the end of the war. By taking part as it did in the European war, the United States seemed the instrument of the conscience of mankind. The minds that have faith in the triumph of idealism, righteousness and morality over brute force and injustice looked up to, and still up to, America.

You Americans cannot realize what a moral prestige your country possesses, and it is not possible for any one of you to think of throwing away such a precious asset. You have all understood the meaning of our victory. You know that it means the triumph of moral over physical forces. You know that the mightiest forces are righteousness, honor, generosity, magnanimity. Because they possessed none of these forces, the Germans were beaten. You all know, that when the fate of the world remained still uncertain, you turned the scale with the weight of your sword.

The United States should not forget that it has invested in Europe ten billion dollars, a part of its natural wealth. It generously lent money to the Allies, because it thought

them honest and able to hold good against the attacks of the powers of tyranny. The Allies are today no less honest and no less able. Their task is no new one; it is the logical outcome of the one in which you took part; it is no longer the task of winning the war, but of healing the wounds of the war. Healing those wounds means for the Allies paying their debts and coming back to health and strength.

In 1914, Germany thought the Old World exhausted. She thought she alone remained in good health amidst many sick nations and that she would easily overcome such puny adversaries. On that delusion, she built her plan of campaign; she counted on frivolity in France, weakness in unprepared Belgium, indifference in Great Britain and Italy. She misread the signs. A second time she made a similar and no less instructive mistake. She thought she could allow Bolshevism to spread through Russia without being infected herself. And lo! it came to pass that Bolshevism easily gnawed at her vitals. And the nations whose fall she expected displayed, on the

(Continued on page 103)

Exchange Comes Home to Roost

This strange new word intrudes itself upon the mid-western farmer with mules to sell; also it involves the wherewithal for enabling our foreign customers again to produce things that they and we can use

By DWIGHT W. MORROW

Of J. P. Morgan and Company

THERE are some fundamental facts which are the limiting factors in paying for the things that are to go abroad. Perhaps it would be easier for us to determine the matters upon which we disagree if we first start with those facts which are perfectly clear and well known, the facts that we get out of dry government reports.

In the last ten years the exports from this country have gone up from something like \$1,800,000,000 a year, to \$7,200,000,000 in the last fiscal year. That is a very great increase. A great deal of it is accounted for by the increase in prices during the last few years, but, after all that is taken into account, there has been a tremendous increase in the volume of goods that have gone out of this country during the past four years.

But it is not the amount of the exports that trouble bankers or commercial men and people that want to sell abroad; it is this strange and new word that the people of the United States are hearing for the first time. For the first time exchange is beginning to trouble the man in Massachusetts who wants to sell shoes, or the man out in Missouri who wants to sell mules, or the man in the south who wants to sell cotton.

Now, in this country during the last ten years the increase in the balance of exports over imports, speaking in rough figures, has gone up from \$180,000,000 to over \$4,000,000,000 in the last year; from \$180,000,000 ten years ago to \$4,000,000,000 last year.

That means the amount of our exports from this country that are not compensated for by imports into this country and, to speak of something very fundamental and very ele-

mentary, it is that difference that has to be settled for in one way or another between nations.

To be sure, there are what the economists call invisible items, the settlements that are made that do not appear in the estimate of physical exports and physical imports that go through the customs house; things like remittances on travelers' notes, interest on business debts that go from one country to another; but after you have taken off from the merchandise export balance the net invisible items that are in favor of one country or the other, the remainder has got to be paid in gold, or has got to be extended by a credit.

That is at the basis of this problem, and that export balance during the past four years in this country has amounted to something over \$14,000,000,000. How has it been settled?

The Gold Poured In

SOMETHING like a billion of gold has come in, and something over twelve billion dollars of credit have been extended, ten billion or more by our government, and about two and a half billion dollars by the people in the United States in the way of private loans. At the present time we are going on rolling up an export balance of something like four billion dollars a year, and it is that export balance and the lack of any arrangement to take care of it that is the thing that is disturbing or going to disturb trade.

All of these foreign exports that are not paid for in gold or taken care of by some of these items that we call invisible, items like the sale of securities that are still held abroad or other properties in this country; all of

those exports eventually must be taken care of either with gold or a credit.

The simplest way to visualize that problem is to take it in its simplest form. There is nothing that I know of that prevents the boot manufacturer of Boston, when he wants to sell something in Europe, giving a credit to a man in Europe to whom he sells his goods, and going right on giving credits as long as he can. That takes care of it.

But the man who is manufacturing boots in Massachusetts cannot invest in a long time credit anything more than his savings or his profits. Otherwise he has to stop manufacturing boots. When he has invested all of his own profits or savings in a foreign credit he has got to look around for somebody else with accumulated savings and get that person to buy from him, the boot manufacturer, the credit that he himself has taken from his customer abroad.

That seems fairly clear in theory, but in practice the boot manufacturer cannot do it. The man with the savings may live very far away from the boot man, and if he goes out looking for the man with the savings he has got to stop manufacturing boots, so what he actually does in practice is to go to a banker, and tries to get him to find a man with savings. In a plan like this he uses a thousand bankers whose names he has never heard of, who are trying to find a man with savings in the country, and trying to find the man in the other country who desires credit and who is entitled to it, and to bring the man with the savings in touch with the man who wants credit, and to get the man with

the savings to loan those savings to the man who desires credit.

An international banker's function is to try and gather together a thousand little rivulets of savings into one great loan and loan it to somebody whose credit is good on the other side. That takes care of that international trade balance.

It is done solely to enable that boot manufacturer, or that man with the mules out in Missouri, or that cotton grower down in the south, to get his goods over to the other side.

The banker is the conduit which brings together the man with savings and the man who desires credit and gets the man with the savings to loan these savings to the man who desires credit and who is deserving of them.

What possible way have we of telling how much these credits should be? Well, as a matter of fact, we have not any way; we can simply guess.

Dangerous Ground for Prophets

WE have heard how much France needs and how much Italy needs, and how much Belgium needs. And England is trying to find out how many people she can help and feels that she does not need anything from this country if we will only take care of some of the countries in Europe, but after you add up all these items which at best are merely estimates of what ought to be done, you do the best you can, and no man can predict how many credits should be extended to Europe in the next year.

I think one might say this of the trade balance—at the present time the export balance is going at the rate of something like \$4,000,000,000 a year, there is only one thing that can happen; that export balance has got to go down or our exports have gradually got to reduce and the imports from those countries into this country have got to gradually increase.

But after there has been a great reduction in our exports, gradual, I hope, and a great increase in the imports into this country, there will still be a very substantial balance to settle either with gold or by the extension of credit.

It has been estimated that next year that balance might be gotten down to about \$2,000,000,000, as against over \$4,000,000,000 last year. Perhaps the figure is a little bit high. No one can tell. But assuming it is \$2,000,000,000, are we going to be able to extend \$2,000,000,000 of credit to the nations of Europe during the next twelve months?

Can we produce \$2,000,000,000? That seems, with all the wealth of this country, like a fairly simple question. But all of the wealth of this country is already invested in one form or another of capital, and if we want to loan \$2,000,000,000 to Europe in the next twelve months there is only one possible way we can do it, that is, by producing that much and saving it.

There are going to be a great many minor actors in this great enterprise of restoring Europe, but there is one indispensable man that you cannot get along without, and that is the plain old-fashioned gentleman who produces more than he consumes and is willing to save the difference.

The banker and the manufacturer, the school teacher, the lawyer, or the wage earner, may be that man, any one of them; but no one of those persons as such can do anything to save Europe that amounts to much. That capital fund can be produced in the only way that capital funds have ever been produced: by accumulated savings. You have got to look to those people to produce that \$2,000,000,000 with which to help in the restoration of Europe, and unless they go on saving money Europe is not going to get any aid from this country.

We are talking about pretty big figures, but we are talking about a very big country with a lot of very strong, eager, energetic people in it. If the 100,000,000 people in the United States would save twenty cents a day, say, on an average—that would be a great saving for some and a negligible saving for others—to assume they could save twenty cents a day on the average for 300 days, that would be \$60 a year, \$6,000,000,000 saved in those 300 days.

A large portion of that amount would be needed for necessary capital expenditure at home, and the balance would be available for Europe. I do not think that there is any

export
trade

doubt that the amount of fresh capital can be produced that is needed by Europe in order to aid in this process of restoration.

Now, when this old-fashioned gentleman has saved money for his children and expects to get it back some day, is this old-fashioned

gentleman going to find anybody in Europe to whom he is willing to loan his savings?

There has been a great deal of talk about France, Italy and Belgium being shell shocked. There has been a great deal of talk, by Americans I mean, about it being impossible for us to get any money from Europe except on receivers' certificates.

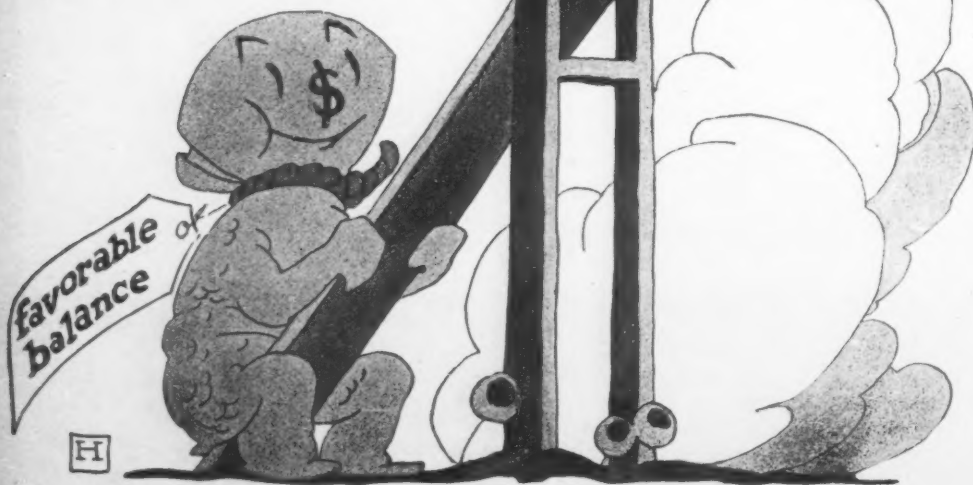
That kind of talk is not going to appeal to the man who has been urged to save his money in order to put it in something safe from which he expects to get it back some day. There is no use fooling ourselves about it, nobody is going to loan money to Europe because Europe has nothing and cannot pay it back. The people who are going to loan money to Europe are going to loan it because they believe these countries are strong and that they are going to pay it back.

Credit is not based upon the accumulations of the past; credit is not based upon the amount of property that one has inherited or accumulated. Credit always has depended, and credit always must depend upon the moral and economic traits of all producers, their willingness to work, their ability to save.

We have seen the nations abroad go through this great war. We have seen them emerge from the war. And if credit is a thing to be extended to creditable people those nations in Europe today should have the highest credit in the world.

It is our duty to see that people measure values by the only thing by which values can be measured, by the lessons that are available; and that means character, and thrift, and steadiness of purpose. And I am glad that the representatives of foreign governments have come to us not as suppliants asking for credits because of their weakness; but they have come standing erect, asking for credit because of their strength.

I do not know just how they are going to get it, but I know they are going to get it.



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it.

Secretary, Railroad Com—

The House and Senate Railroad Bills

A Digest and Comparison Prepared November 17, 1919, by Richard Waterman

Secretary, Railroad Committee Chamber of Commerce of the United States

The Chamber of Commerce of the United States has prepared for the information of its members the chart printed below showing, in convenient form for comparison, the most important provisions of the two general railroad bills now before Congress. The Esch bill, H. R. 10453, was passed by the House of Representatives November 17, 1919, and at once sent to the Senate for action. The Cummins bill, S. 3288, was reported to the Senate October 22, 1919, by the Senate Committee on Interstate Commerce. It will probably be taken up for consideration by the Senate as soon as the regular session of Congress opens December 1, 1919.

The two bills differ in many important particulars. As soon as the Cummins bill is passed by the Senate the two bills will be sent to a conference committee, which will first harmonize the conflicting provisions and then report out a conference bill that will first be passed by both the Senate and the House and then be sent to the President for his approval.

The Chamber of Commerce has also prepared the following brief summary of the principles of railroad legislation approved by the business men of the country in a referendum vote that was completed July 24, 1919. The summary, after stating a principle, shows in each instance whether or not it has been incorporated in one or both of the bills.

The principles approved by the business men in Referendum 28 of the Chamber of Commerce of the United States are as follows:

(1) Adherence to the policy of corporate ownership and operation with comprehensive government regulation. (*Senate and House bills.*)

(2) Return of the roads to corporate operation as soon as remedial legislation can be enacted. (*Senate and House bills.*)

(3) Adherence to the period of federal control as now fixed unless and until the impossibility of enacting remedial legislation within this period clearly appears. (*Senate and House bills.*)

(4) Permission for consolidation in the public interest, with prior approval by government authority, in a limited number of strong competing systems. (*Senate and House bills.*)

(5) Requirement that railroad companies engaging in interstate commerce become federal corporations with rights of taxation and police regulation reserved for the states. (*Senate bill.*)

(6) Exclusive federal regulation of capital expenditures and security issues of railroads engaged in interstate commerce with provision for notice and hearings for state authorities. (*Senate and House bills.*)

(7) Federal regulation of intrastate rates affecting interstate commerce. (*Senate and House bills.*)

(8) Adoption of a statutory rule providing that rates in each traffic section shall yield an adequate return on a fair value of the property as determined by public authority. (*Senate bill.*)

(9) Creation of a Federal Transportation Board to promote the development of a national system of rail, water and highway transportation and the articulation of all transportation facilities. (*Senate bill.*)

		SENATE COMMITTEE BILL.	HOUSE BILL.
		The Cummins bill, S. 3288, introduced October 22, 1919, presents the recommendations of the Senate Committee on Interstate Commerce. It provides for:	The Esch Bill, H. R. 10453, was passed by the House of Representatives, November 17, 1919, and sent to the Senate for action. It provides for:
Ownership and Operation.		Return of all railroad and transportation systems to corporate ownership and operation on the last day of the month, in which the act is approved.	Return of all railroads and systems of transportation to private ownership and operation, on the last day of the month, in which the act is approved.
Consolidation and Competition.		Consolidation of all railroad properties in accordance with a plan previously adopted by the Federal Transportation Board, and approved by the Interstate Commerce Commission, into 20 to 35 separate competing systems, each owned and operated by a distinct Federal corporation—consolidation to be voluntary if accomplished within 7 years, and, thereafter, to be compulsory.	Consolidation, unification or merger by purchase, lease, stock control, or in any other way of any two or more carriers, or the pooling of their traffic earnings or facilities, to the extent that the Commission indicates will be in the public interest.
Federal Incorporation.		Federal incorporation of all railroads with a requirement that each corporation shall include in its Board of Directors two representatives of classified employees, and two representatives of the Government.	Federal incorporation opposed, because it may be unconstitutional and would probably entail large expense, long delays and a vast amount of litigation.
Security Issues and Capital Expenditures.		Exclusive regulation and control by the Transportation Board of the issuance of stocks or bonds by railway or water common carriers; and, of the purposes to which the proceeds of the sale of such securities may be applied.	Exclusive and plenary jurisdiction of the Interstate Commerce Commission over the issuance of stocks, bonds and other securities by any common carrier, the purpose of any proposed issue and the use of the proceeds thereof.
Adequate Revenues and Credit	Rate Increases.	Continuation of rates that are in effect at the termination of Federal control, until changed by competent authority. Provision that new rate schedules filed with the Commission within 60 days after Federal control ceases, shall become effective within four months after they are so filed, if approved by the Commission.	Continuation of rates that are in effect at the termination of Federal control, until changed by competent authority. Requirement, that general increases in rates must be asked by the carriers within sixty days after the return of the carriers to private control.
	Rate Districts and Rate Groups.	Requirement that the Commission shall divide the country into rate districts, and the railway carriers into rate groups as an aid in determining the adequacy of rates in producing revenues.	Creation of regions for incorporation, administration and rate-making purposes, opposed because it would limit competition, and would make rate-making based on average conditions of carriers within a given region an impossible task.
	Rule of Rate-Making.	Regulation of all rates that affect interstate commerce, of maximum and minimum rates and joint rates and of the division of joint rates, by the Interstate Commerce Commission, under a statutory rule providing that the railway carriers, as a whole, in each rate-making district, shall be allowed to earn an aggregate annual net railway operating income equal as nearly as may be to 5½% upon the aggregate value of their property; and that they may be allowed to retain in addition ½ of 1%, to pay for non-productive improvements that cannot be capitalized. In 1925, and at intervals of 5 years thereafter, the Interstate Commerce Commission shall have authority to increase or decrease the 5½% basis.	Regulation of all rates that affect interstate commerce, of maximum and minimum rates and joint rates and of the division of joint rates by the Interstate Commerce Commission under the provisions of section fifteen of the Act to Regulate Commerce as thus amended without defining a new rule of rate-making.
	Valuation.	Valuation by the Commission of the railway property used for transportation purposes in each rate-making district.	Valuation by the Commission of all property owned or used by every common carrier (as provided in Section 19a of the Act to Regulate Commerce).
	Reserve Funds.	Creation by each road of an individual Reserve Fund, drawn from its excess earnings to support its own credit; and creation by all prosperous roads of a general contingent fund drawn from their excess earnings to support the credit of the railroads of the country as a whole. The Company Reserve Fund may be drawn upon by the carrier whenever its annual net operating income falls below 6% of the value of the property. The general railroad Contingent Fund may be used by the Transportation Board in furthering the public service rendered by the carriers, either by way of purchase, lease or rental of transportation equipment and facilities to be used by the carriers or by way of loans to the carriers.	Creation by the Government, of a \$250,000,000 revolving fund from which carriers may obtain, during the first two years of resumed private operation, loans bearing 6% interest, and maturing in five years.
Federal Agencies of Regulation.	Consolidation.	Consolidation of all railroads into 20 to 35 systems (whose capitalization in each instance shall not exceed the value of the property) so organized that, with uniform rates, and under efficient management, each can earn substantially the same rate of return on the value of its property.	Consolidation of two or more railroads permitted whenever the Commission decides that it will be in the interest of better service or economy of operation, or will aid in solving the problem of the weak roads.
	Government Guarantee.	Guarantee to all railroads, for six months after Federal control ends, of an operating income equal to the standard return for the same period paid during Federal control.	Guarantee to all railroads, including short lines and express companies, for six months after Federal control ends, of an operating income equal to the standard return for the same period paid during Federal control.
	Funding of Debt.	Extension of carrier indebtedness for capital expenditures made by the Government, during Federal control, for a period of ten years with interest at 6%.	Extension of carrier indebtedness to the Government, after the rental owed by the Government has been settled, for a period of fifteen years, on demand notes, paying 6% interest.
	Wages and Working Conditions.	Creation of three Regional Boards of Adjustment, each composed of six members—three representing labor and three the railway carriers—to hear and determine all complaints, grievances and disputes other than controversies relating to wages and working conditions; with appeal to the Committee of Wages and Working Conditions in case of a deadlock. Creation of a Committee of Wages and Working Conditions, composed of eight members—four representing labor and four the railway carriers—to have jurisdiction over controversies respecting wages and working conditions of employees; with appeal to the Transportation Board in case of a deadlock. In determining the fairness, justice and reasonableness of wages and salaries, the Board shall take into consideration: (a) the scales of wages paid for similar kinds of work in other industries; (b) the relation between wages and the cost of living; (c) the hazards of employment; (d) the training and skill required; (e) the degree of responsibility; and (f) the character and regularity of the employment. Declaration that decisions of the Transportation Board, i. e., of the Government, shall be final; and that railroad strikes and lockouts are unlawful.	Creation of three boards of adjustment, each authorized to hear and decide all controversies between the railroads and certain classes of their employees with regard to wages, hours of service and conditions of employment; and three commissions on labor disputes to make final decisions on all matters referred to them by the three boards of adjustment. Board of Adjustment No. 1, composed of eight members—four representing the engineers, firemen, conductors and trainmen, and four representing the railroad executives. Commission on Labor Disputes No. 1, composed of eight members similarly chosen. Board of Adjustment No. 2, composed of twelve members—six representing the machinists, boiler-makers, blacksmiths, car-men, sheet-metal workers and electrical workers, and six representing the executives. Commission on Labor Disputes No. 2, composed of twelve members similarly chosen. Board of Adjustment No. 3, composed of eight members—four representing the telegraphers, switch-men, clerks, and way and shop laborers, and four representing the executives. Commission on Labor Disputes No. 3, composed of eight members similarly chosen.
		Maintenance of the Interstate Commerce Commission with authority. (1) To fix interstate rates that shall be just, reasonable and adequate; (2) To determine the valuation of railroad properties; (3) To prescribe uniform accounting systems for all carriers; (4) To approve consolidations, and (5) To exercise all of the other regulatory functions now exercised by the Commission, excepting those transferred to the new Transportation Board. Creation of a Transportation Board, composed of 5 members appointed by the President: (1) To prepare and adopt a complete plan for consolidation subject to the approval of the Commission; (2) To make inquiry continuously concerning (a) the transportation facilities and service of the whole country, and when and how they should be improved; (b) the state of the credit of all common carriers; and (c) the new capital which the public interest may require any carrier to secure; (3) To represent the public interest in hearings before the Commission; (4) To recommend to Congress from time to time, such measures and policies as in its opinion will promote and protect the public interest; (5) To exercise certain executive and administrative functions now exercised by the Commission, including the administration of (a) the car service act; (b) the safety appliance acts; (c) the hours of service act; (d) the locomotive boiler inspection act; and others of like character; (6) To provide, when necessary for the re-distribution of traffic and the joint use of terminal or other facilities; (7) To exercise exclusive and plenary power over the issuance of securities by carriers; (8) To serve as a Board of final appeal in labor controversies; (9) To prepare and publish for the information of shippers the substance of all schedules of ocean-going common carriers showing routes, sailing dates and rates charged by each carrier; and (10) To exercise other important regulatory powers, belonging to the Federal Government.	Maintenance of the Interstate Commerce Commission, with eleven, instead of nine members, and with authority to exercise all of its present functions and in addition (1) To keep itself informed as to the transportation needs, facilities and services of the carriers; (2) To authorize the unification consolidation or merger of two or more carriers, whenever the Commission finds such consolidations to be in the public interest, and, also to authorize the pooling of traffic earnings and facilities; (3) To exercise jurisdiction over the use, control and supply as well as the movement, distribution and interchange of locomotives and cars, and, also the supply, movement and operation of trains; (4) To prohibit the extension of present lines or the construction or acquisition of new lines by any carrier until it has obtained from the Commission a certificate of public necessity and convenience; (5) To require the construction of docks and rail connections between rail and water carriers; (6) To provide, when necessary, for the re-distribution of traffic; and for the joint use of terminals; (7) To exercise exclusive jurisdiction over the issuance of securities by carriers; (8) To order a carrier to install automatic train stop or train control devices; and (9) To exercise other important regulatory powers belonging to the Federal Government.

The House and Senate Railroad

Report of the Committee on the Senate and House Railroad

Presented to the Senate and House of Representatives

at the Session of the Senate and House of Representatives

held at the City of Washington, D.C.

January 1, 1888

By the Committee on the Senate and House Railroad

Wm. H. Hunt, Chairman

John A. Bland, Secretary

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Declaration of Interdependence

Worldwide business, shouldering the load of the world's social and economic life, assesses its responsibility and declares its principles

By WILLIAM R. BENÉT

TWO utterances at the International Trade Conference at Atlantic City remain in the mind with especial distinctness. They expressed the full purpose of that conference in two aspects.

The first was on Tuesday night, when all the members of the forty-six sub-committees gathered to hear read the projected program of a permanent international organization of business men to cooperate in the commercial rehabilitation of the world. Those are long and sounding words. Many purposes—good, bad and indifferent—have from time immemorial been clothed in magniloquent language. What, then, was the difference here?

Behind their guests and allies from England, France, Italy and Belgium the leading business men of America were gathered together. It was an audience that listened attentively but untroubledly to the announcement, no less, of a Business Men's League of Nations. When criticisms of the outline were called for, no dissenting voice was raised. Here and there in the audience, men

affairs were called upon by the chairman, but rose merely to approve, from various points of view, the proposal before them. The program was unanimously endorsed, to be later adopted by the full conference on Thursday at Young's Pier.

An Impressive Moment

THERE were several dynamic addresses delivered that same evening, such as those by Myron T. Herrick, former ambassador France; George Ed. Smith, president of the American Manufacturers' Export Association, and others, as well as eloquent statements by spokesmen for the foreign missions. But, to our mind, the most impressive moment came toward the close of a homely, kindly, fraternal reminiscing

A. B. Farquhar, of York, Pa., honorary vice-president and oldest living member of the National Chamber. Mr. Farquhar had just spoken movingly of his intimate acquaintance with Abraham Lincoln. He called to mind the occasion upon which "our greatest American" delivered his Gettysburg address. Then he said simply that though the words of that address were familiar to all present, he meant to repeat them. Without pause he began to speak the perfect and fitting phrases.

An unusual silence held his listeners. In their minds was keen appraisal of the bloody path ploughed through the heart of civilization by the hurricane of the world war. They grasped the parallelism of the two occasions. They felt much of that deep silence which must have held those listening under the open sky

to the words of Lincoln at Gettysburg.

Gettysburg—and the Marne. The dead that must not have died in vain. The storm of divergent doctrine now buffeted abroad upon the world—"that this government of the people, for the people, and by the people may not perish from the earth." The gray-haired, gray-bearded Nestor of the gathering took his seat.

He had driven home to the heart of every man present one of the great ideals of the conference—Business Responsibility.

The second speech of vital moment came on Thursday evening before a full gathering of the whole conference at Young's Pier. When Dwight W. Morrow was introduced as the "next speaker," the majority present probably looked forward to a financier's argument, bristling with figures, statistics and technical phrases. What they received was a man-to-man talk that crystallized the accomplishment of all committee meetings in the statement of one clear issue and expressed once for all time the feeling in the hearts of all Americans toward the credit of their European allies. The various committees, said Mr. Morrow, had settled with the representatives of the various nations as to Europe's requirements in coal, ships, oil, textiles, metals, foodstuffs, chemicals and reconstruction supplies. It remained for the Committee on Credit and Finance to determine how the goods



Sir Arthur Shirley Benn,
head of British Mission

ready to be sent abroad could be sold and paid for. And the credit situation could be summarized by asking whether 100 million people in America could find two billion dollars in the next twelve months to lend to

Europe, and whether they would be willing to lend it. They could—and they would!

The speaker proceeded to lay the spectre of European bankruptcy and the official stenographer at the press table gained in the frequency and fluency with which he used whatever is the shorthand symbol signifying applause. Mr. Morrow protested that he did not speak sentimentally, but advocated the loaning of money "on the simple, cold principle of getting it back." And he showed conclusively—as can be ascertained in another part of this issue—that Europe's credit was good. The audience rose and cheered him at the end, because he had voiced the birth of a new international understanding between the business men, manufacturers, exporters, importers, and traders of Europe and America—between the commercial competitors of five great nations, and, through them, of all the allied nations in the world war.

Wars, after all, are rooted in national selfishness. But men doing business together seek to understand each other. They form friendships. They are always "talking it over." Today, where diplomats have failed, they are taking up the responsibility for international relationships; they, who understand the people, being of the people.

And that was the greatest achievement of the conference.

The feet of progress, though they advance slowly, are never stayed. A permanent international organization to conserve the frank, open, practical understanding reached at Atlantic City is now a *fait accompli*. With this organization rests a power and responsibility difficult to exaggerate. It is to be not a talking but a *doing* organization. By its power of bringing the candid reason of all practical men to bear upon world problems it can avert war, panic, chaos. It can bring to a stricken world—not the mirage of Utopian idleness, not the illusive lights of an improbable millennium—but a solid, strongly rotted, equitable foundation for "peace on earth to men of good-will."

The world is as one now in that hope.



E. A. Filene, of Boston, whose preliminary work in Europe was largely responsible for the success of the International Trade Conference

Which is the Debtor?

In dollars, America's balance against Europe is a huge one, but it must not be forgotten that there are other obligations in which the account is not so one-sided

By WILLIAM C. REDFIELD

Former Secretary of Commerce

ONE day recently there came to my desk a statement of the exports and imports of the United States for the month of June. When I opened it and saw that the exports of this country for that period were \$918,000,000 and the imports only approximately one-third of that, I had no feeling whatever of exultation or of joy. On the contrary, our country's grave responsibility toward what was involved in those figures became more weighty as one thought; and at last it seemed a clear duty to bring the matter before the President of the United States in a communication, pointing out to him the essential meaning of the facts. I told him it was clear this process could not go on; that it was not right, or even possible, that it should continue; for the building up of such an enormous balance in favor of this country was not good either for us or for those who were debtors for such great amounts.

The situation is really even worse than I then thought, for I did not then recall that when we say we are accumulating a balance in our favor of about four billion dollars a year as things are now running, that balance is reckoned in American dollars at par. If it is reckoned in the currencies in which it must be paid by those who owe it, you must add to it something like at least twenty or twenty-five per cent. So the four billions of dollars in our favor now, reckoned from the standpoint of Europe, is the equivalent of about five billion.

The ten billions of debt due us from abroad is government debt. It consists of loans made by the United States Government itself. It has nothing to do with the private transactions of the time; it is but one item in the great account. To that must be added soon, if not at once, the amount of a billion and a half dollars, being approximately three years' interest on this great sum, which it is probable we shall fund for the nations abroad, making the total government loan eleven billion five hundred millions when so reckoned. To that must be added an accumulating balance at the present rate of four billions per annum on merchandise account outside of the government loans, making a total of fifteen and a half billions; and to that must be added another billion by reason of the difference of exchange of which I have just spoken.

Debts and How They're Paid

SO, if we state the problem as one which involves the earlier or later meeting of obligations of at least fifteen billions, we shall know pretty well what it is we have to face.

Debts are paid in three ways and in only three: in services, in goods, or in cash or credits, which are a deferred form of cash. Before the war we had what we called a favorable trade balance of what seems now

a trifling sum, from four hundred to six hundred million dollars a year, more or less. But that was only a visible balance and the invisible balance covered it all. We received, for example, the services of foreign vessels for carrying our exports; we disbursed in Europe large sums for travellers' accounts;

America's New Role

OUR Uncle Sam is now playing a new part. He is the world's creditor. The sum of principal and interest owing to him is so great that the figures slip from the mind without making any impression.

What sort of a creditor is Uncle Sam going to be? Will he affect a stage scowl and stalk about with a deputy sheriff at his heel throwing poor widows out into the snow; will he foreclose on industries and nations?

Such a course would be poor humanity, and worse business—as Mr. Redfield points out in the accompanying article.—THE EDITOR.

we had the services of insurance of various kinds done for us; and we paid interest on foreign investments in this country, and in this and other ways absorbed the so-called "favorable balance."

But those things do not exist today and the problem is the worse on that account. We are not spending largely for traveling abroad; we are creating our own merchant marine; we are developing our own marine insurance companies and other companies on a larger scale; we do not seek the services that we did seek and which we then had to have; we are not able now to buy goods largely. The remaining source is cash or credit; and in that way, and in that way chiefly, we must face the problem as it stands. I hope and believe that we shall open our doors much more widely to receiving goods from abroad; for we can not sell if we do not buy. This world can never get along with America trying to sell goods to everybody and asking cash in return.

It is not to be thought of as a practical proposition that we should sit by the receipt of customs handing out goods in return for cash on delivery, and I hope the time may come in America when the business men will have such vision that the idea of selling goods abroad on the basis of cash with order and the balance against shipping documents will hardly be respected. Such an attitude is part of the youthfulness of our country in foreign trade; it goes back to the time, relatively speaking, when men demanded cash on each delivery, because they trusted nobody. It is part of the isolation of thought in America,

eminently desirable from a strictly retail point of view, but quite unworthy and impossible to a member of the family of nations.

How, then, are we to aid in this mighty problem? We are the world's creditor. Are we to be a hard one? We have, in addition to supplies of raw material, the finished material and equipment that the world needs. How are we to deal with those two phases of the problem? How would business men deal with a customer who was in trouble through no fault of his own and whose record was that of honor, success, and high character? Would the business man draw a sight draft? Would he even ask this customer to sign a three months' acceptance, or would he go to him as a friend and say: "Now, John, don't worry; too bad you had that fire; too bad that flood came; too bad things are so. But I am here to say that I am going to help you through. I know you are just as anxious to pay as can be; you are a lot more anxious to pay than I am to get it, because I know you are good. I am going to stand by you, John, and help you out."

That is not altruism; it is just good sense, because the basic thing about John is John's character. That is at the bottom of all things; and if John lives—and nations do not die—if John lives, John is linked to you from that day forward by ties you never can break; and it would not be any good for your competitor to come around and offer John goods at 5 per cent less after you had saved his life for him. So, from hard business sense, you deal generously with a friend in trouble through no fault of his own.

Selfishness Rampant

A GREAT menace of selfishness burst upon the world in August, 1914, something so hideous that the idea of national selfishness ought to be hateful to us all forever. Against it men struggled, struggled for righteousness' sake, and for honor, and for home, bravely struggled at fearful cost. Out of it, at first, we profited largely through Europe's need. The time had not yet come when our gain was to change to a spiritual gain. It did come. We, at last, thought the English and French and Italian and Belgian armies were fighting our battle; that it was, after all, just one modern phase of the old battle of Christianity against Apollyon, of Christ against the devil.

We saw it at last and we came into the struggle and, through the Providence of God, the struggle was won and the devil was chained. But the waste places were still left and the idle hands and the ruined homes and the empty factories. Are we quitters? Do we call our boys home when the physical fighting is done to say, "Thank God, it is all over. Now we can be at peace here; with an ocean on each side of us we can be per-

fectly safe. There is nothing for us to worry about. Let us take care of our own affairs, and let them look after their own affairs."

We cannot; we laid our hand to the plough and we must plough the furrow to the very end. Why? We are parents, with the other nations, of new nations. Young countries sprang into life, infants of ours—Czechoslovakia, Serbia, New Roumania, and others beside them. We are the parents of these people; we can't forsake them. We can not longer say—aye, we have said far too long already—"Take care of yourselves; it is no concern of ours." But once let our people catch the vision of a world we have in part created ourselves, and you may be sure America will respond.

Isolation

BUT from our earliest days it has been written into all American thought that we should have just as little as possible to do with the nations beyond the seas, in any political, military, or other than friendly and commercial way. "No entangling alliances with the nations of the world." We have carried that so far as to embody it in what we call the Monroe Doctrine, which is, after all, but an extension outward into the continents of America of this inward thought of every American, that we deal solely with our own domestic problems. It was the power of that thought which in very large part held us back so long from entering into the great military contest. It is the reappearance of that thought in one form or another which is now delaying our taking up more actively the duty we owe Europe.

But it is a thought which is passing away. It is a thought which in the minds of our men of vision has passed away. It is something which the sense of duty to be done and a task to be undertaken will entirely remove, though it is something which acts for the time being as a brake—as a cause for relatively slow action. But let it once be clear that we can not separate ourselves in thought or action from Europe without being false to ourselves, and that difficulty will disappear.

The core of the whole problem is this: to help others who owe us to a position where the payment of what they owe will not be burdensome, and to provide them in addition with the thousands of things they need but for which at the moment they can not pay. At the opening of our part in the war, two years ago in April, there were considered to be but three hundred thousand investors in securities in the United States.

Then over twenty-one million persons became subscribers to Liberty Bonds. That was a revolution in thought. Just such a revolution in thought has now to take place in business circles before we shall get the means

tion which shall combine within itself the banker, the manufacturer, the merchant, and every other group of our people that desires to be included; which shall represent the whole round sphere of American life and American economic power, and which therefore may be made the center of an appeal in every village in the country, to get at the very heart and mind of the United States.

Yet we may not speedily create any such organization to buy securities. If you went into many a prosperous town of the central West or the far West or the South, they would not so much as know what was meant, in many places, if we asked them to buy the securities of another land. We have got to adapt ourselves to existing conditions. Therefore we must have an organization that shall itself be in intimate and daily touch with the countries who need our help and whom we desire to serve; that that organization shall have a capital so large as to compel respect and confidence from the beginning; that it shall be supervised by the Federal Reserve Board, and thus have the added confidence of intimate touch with the Government, although I do not believe that the Government itself should have any further place in granting these credits.

For Quick Credits

"SUCH an organization should offer quick credits all over the world, and nothing less than the whole round world will do. For it might be our duty in behalf of Belgium to help along in the Congo; it might be our duty in behalf of France to do something in Madagascar, it might be our duty to aid in Algeria. This great organization ought to have not less than five hundred million dollars capital in it—a billion would be better still—which will take the securities of nations, provinces, states, railways, corporations of all kinds, public utilities, and against those, and supported by its own wealth, issue in this country at a current com-

mercial rate of interest in small and large amounts its own debentures, so that Tom Jones who has got fifty dollars can buy a fifty-dollar debenture and know that he is helping France to her feet.

And these should be put upon so broad a basis, should be so disseminated throughout the country by an organization akin in its scope to our Liberty Loan organization, that they become household words everywhere. Nothing less than several billion dollars is going to do the job as it ought to be done, but there is to the American mind something

(Concluded on page 97)



Photo by Robert H. Moulton

La Salle Street, the nerve center of Chicago's financial district. The enterprise of its citizens was not the only factor in working out the miracle of this young metropolis. As Mr. Redfield says, much of our development was due to capital poured into this country from Europe. The time has come for La Salle Street—and like money centers—to return the favor.

of dealing adequately with this fraternal problem.

It has seemed to me that a new organization or organizations must be created, as yet novel to our polity, but growing normally out of it. I doubt if the statement that our banks are able to deal with it is either correct, or, if correct, is wise. What we must do if we can is to bring the entire credit-giving power of the country to bear on this problem. We placed our great loans because every household became a partaker. We must place our great credits on the same principle. I hope we shall get an organiza-

"A Business Proposition"

The time has come to break away from government financing in foreign trade and the re-adjustment must be one that meets the sound business sense of both America and her foreign friends

By JAMES S. ALEXANDER

President of the National Bank of Commerce, New York

WORLD trade is based upon elemental principles which have not been rendered inapplicable by the war. We must remove the unusual conditions which prevent those principles from functioning. If any new machinery is set up we must have constantly in mind that it is simply a temporary scaffolding which will be removed when the main structure of trade has been repaired and put once more in working order.

When we refer to normal conditions, we do not necessarily imply a return to a pre-war basis; for some changes wrought by the war will be found to have become an integral part of the new order of things. Even in the throes of war the world has continued to progress. Some good has come out of evil times. Therefore, we must look to the present and to the future, as well as to the past, to guide us in our analysis of the vital factors in world trade as we shall from now on come in contact with it.

Normal commerce between nations means the interchange of such commodities and services as are determined by natural factors to be reciprocally profitable and beneficial. What is normal today is largely what can be done profitably today, or what cannot be left undone today without prejudicing what will be required tomorrow. We must face things as they are, and with no idea of doing business on the basis of things as we would wish them to be. We must face them as they are, aiming to adapt them and ourselves to a practical working basis.

During the war, and since the armistice, we have been sending to Europe an enormous excess of exports. In the ten months preceding the armistice so far as the published figures go, our exports exceeded our imports by about \$248,000,000 a month. Since the armistice the figures have risen. In January our export balance was \$409,000,000, in April it was \$442,000,000, in June it rose to the astonishing figure of \$625,000,000.

That Troublesome Balance

EXPORTS in that month were \$918,000,000 and imports were \$293,000,000. Our average export balance for the first eight months of 1919 was around \$400,000,000 a month. All of this excess, and something more, has been in our trade with Europe. Thus, in April we sent Europe \$500,000,000 worth of goods and received back from Europe \$43,000,000 worth of goods, a balance of \$457,000,000 where our balance with the whole world was \$442,000,000.

When the situation is viewed from the other side, even more striking figures appear.



France imported over 12,000,000,000 francs worth of goods in the first six months of 1919 and exported only a little over 2,000,000,000 francs worth of goods, leaving her an adverse balance of trade of nearly 10,000,000,000 francs. Similar proportions appear in the export and import figures of Italy. Great Britain has had during the first eight months of 1919 an adverse trade balance equivalent to something over \$2,000,000,000.

Our exports to Europe have changed in character radically since 1913. Before the war we sent Europe largely crude food stuffs and raw materials. Today we are sending Europe very largely food stuffs partly or wholly manufactured, and finished manufactures. In other words, we have been, since the armistice, sending Europe chiefly goods for immediate consumption rather than those things which she could use setting her industries going.

It is axiomatic that what is bought must be paid for and that nations engaged in foreign trade in the long run pay for imports by exports. The existing unpaid and unbalanced state of trade between America and Europe has been made possible by credits granted by the United States Government to the governments of Europe. These credits have largely ceased to be available for the support of the export trade, and our exports are now going to Europe largely on open account. There has come, as a consequence, a dramatic break in virtually all the European exchange rates, and the foreign exchange markets are badly demoralized. It is recognized on the part of all of us that in

the absence of special emergency measures the exchange rates will continue to fall until American exports to Europe are so checked that imports will pay for them.

In addition to paying for her excess of imports over exports, Europe has the problem of meeting interest payments in the United States, and the problem of paying maturing capital obligations. Many of the countries of Europe are heavily burdened with shipping charges in addition. Practically all these "invisible items" in the international balance of indebtedness—freights, interest payments, banking commissions, travelers' expenses, and the like—have been altered to Europe's disadvantage in the last five years.

The pressure on the exchanges is very heavy and the obstacles in the way of getting needed exports to Europe are correspondingly great, and it is this situation with which we have to deal.

The exports and imports of one kind or another in the commerce of the world do not, from the point of view of any one nation, give evidence of trade—of exchange of commodities on a reciprocal and balanced basis.

Therefore, I think we can be specific in our agreement that the chief abnormal international trade factor is this alarmingly unbalanced interchange of goods—that the balance of trade is too favorable to the United States and too adverse to Europe for the best interests of both, and that the correction of the exchange situation resulting from this one-sided trade balance will find its natural and permanent solution only through a reduction of our exports or an increase of our imports until a point of approximate equilibrium is reached.

The Government's Part

WHAT are the elements involved in our attempt to meet it? First of all, regarding the official phase of the situation—that is, the cessation of United States Government loans to European nations—Federal Reserve officials have said that "Europe's needs should now be supplied through the private initiative of foreign manufacturers, merchants, and bankers dealing with similar American groups and not through the concerted efforts of the governments concerned; that from the viewpoint of the United States, the ability of our Government after completing its own war financing to assist foreign governments without vast inflation and consequent danger to our own credit is problematic."

I have quoted this passage from governmental authority because it contains a definite suggestion—that is, that the time has come to turn away from outright Government

financing of international commerce, and to resume once more a course of private enterprise and initiative; to turn as rapidly as possible from an abnormal war basis back to the normal basis of peace.

Practical measures are well advanced in this country to facilitate and expedite this transition, but probably no comprehensive plans will be definitely formulated until the Treaty of Peace is signed. To mention only one of the measures now under discussion, the Edge Export Finance Bill, before Congress, aims, in essence, to make possible the organization, under Federal incorporation of the instrumentalities for a larger volume of international commercial transactions on a credit basis. As explained by Senator Edge, the American manufacturer or exporter will sell his goods to European buyers and will accept collateral satisfactory to an American corporation organized under the Edge bill; against this collateral the corporation will issue debentures to be sold to investors, and by this process the American manufacturer or exporter will be paid.

From the point of view of France this thought has been set forth recently by Baron de Neufville, whose words have been widely read throughout the United States and accepted as presenting a sound view of the situation. He has said:

"Now, the first thing for taxation is not taxes. Our Government problem is to get taxable income. Taxing it afterwards is easy, provided the political situation is straightened out, and this, as I have shown you, will happen next fall.

"Therefore, the real question comes to this: Will there be a big enough taxable income in France, or in other words, are French people working?" Elsewhere he says: "France does not want charity and does not ask for it. It is a business proposition. It is as such that we ask the American people to look into it."

It is a business proposition, and we should aim here to facilitate and expedite the re-establishment of our business with the nations of Europe on a business basis. That basis will be best for the United States, and it will be best for every country in Europe. We do not need to say that there is unlimited goodwill in America toward England, France, Belgium and Italy—just as large and warm a heart beats in this country as during the war; but with the return of peace the minds of the people have turned again to the normal pursuits of business and industry which were completely interrupted during war-times. We are trying to put our own house in order.

But we know our friends from Europe well enough to believe that they very gen-

erally recognize the fact that it is best for them to get money on a basis that is determinable and permanent. Our good-will insures our making every possible effort towards reaching a speedy solution of present uncertainties. But the solution itself must rest not upon a basis of sentiment, but rather upon a foundation of economic fact, of common sense, and sound commercial practice.

The nations of Europe want credit; but they are not seeking primarily credit for today, but rather a fundamental credit understanding, a system of credit which they can trade upon and make commitments upon. They want to know they can count on help based not upon a generous impulse of the moment, but upon the more permanent, if more impersonal, desire of men to trade with one another on the basis of mutual profit and satisfaction. This is a staff they can lean upon.

Any commercial arrangement grounded solely upon the uncommercial and shifting element of good-will and friendly sentiment no matter how firm and true that sentiment may be, will in the end prove unsatisfactory.

This brings our attention to another cardinal element in the solution of our problem. It is as vital to America at this moment as to any nation in the world. I refer to the

(Concluded on page 108)

The Junior Member

That is the position Uncle Sam now holds in the partnership of world trade—here are some of the things he has recently learned with special reference to clothing the nations

By PAUL T. CHERINGTON

Secretary of the National Association of Wool Manufacturers

MOST conspicuous of all impressions resulting from the conference between the textile representatives of the foreign countries and the textile committee of the American representatives at the International Trade Conference, was that of the vital position occupied by American raw cotton in the work of reconstructing the world.

The civilized world depends on American raw cotton for fiber; and never before did this last of our great export resources in agricultural products seem to offer so shining a mark for the development of foreign competition on a really effective and serious basis. With cotton at 30 cents and threats of curtailed production in the air, I have found myself constantly thinking of "pride," "destruction," "haughty spirits," and "falls."

Concerning the actual conditions in the European textile trade as reflected by the views of the delegates, perhaps the most impressive thing was the game spirit of independence and the sanguine view of the future. The general feeling seemed to be that the spirit which had made the textile industries of the continent leaders in the world's production since the fourteenth century still survives. The 48-hour week, the rise in wages, had been placidly accepted; the destruction of mills and the stealing of machinery had been written into the history; and now all industries were ready again to

assume their place in the production of the world's clothing and in the support of succeeding generations of workers. All that was necessary was to secure, if possible, the necessary raw materials with the least possible loss due to the prevailing conditions of exchange.

A Change in Attitude

ONE other feature of the conference which impressed me was the general attitude of the European representatives toward the Americans. This, of course, is a field where it is almost impossible to draw a line between pure imagination and impressions which have some foundation. It did seem to me, however, that the European delegates were perhaps less condescending toward the Americans than I have frequently found European business men to be in the past. Certainly they were not hostile, and there was something fine and cosmopolitan in the frank way in which they discussed their problems. It seemed to me, however, there came to the surface now and then a feeling somewhat like that felt toward a new partner in a business—a combination of friendliness and guarded curiosity.

The strength of our native instincts for gain seemed to be under test. Our directness of method, while apparently refreshing, seemed to be at the same time somewhat disconcerting. The depth and variety of our

ignorance concerning the inter-relation between business and what is often called European politics, I imagine, must have caused them some amusement, some shocks, at times.

In general, however, this plunge into the world politics of trade and finance was as satisfactory as it was illuminating, and as the junior partner in this new world enterprise we certainly have nothing to complain of in the kindness and frankness with which we were treated by the older members of the concern.

The official report of the Textile Committee declares:

"The Textile Committee of the International Trade Conference has had the privilege of discussing in an informal, frank and intimate manner with the representatives of France, Great Britain, Italy, Belgium and Portugal the problems of the re-establishment of the textile industry in order that the world-wide shortage of clothing may be remedied in the shortest possible time.

"In general the European nations have been the manufacturers of textiles for export, while until recently America has absorbed the entire production of the American textile mills.

"It has been the desire of your committee to ascertain from these distinguished gentlemen from overseas, who have so ably advised



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It is something of a shock for Americans to visit India and see the Hindus picking their cotton crops or bringing in the bales on these curious carts. As this article points out, the great need

now is for the raw material. The South held its lead over the rest of the world for 1919 with 10,696,000 bales. India produced 3,077,000 bales, and Egypt's crop in 1918 was 1,088,327 bales.

us in regard to the textile situation in their own countries—

"First, what they relied on America to supply in the form of raw material, semi-manufactured products, and manufactured merchandise; second, what the real situation is in the textile industry within their own country; third, what exportable surplus they are now able to provide after caring for their own domestic consumptive requirements; fourth, what suggestions or recommendations they would offer looking to the financing of textile products which would be secured in the United States.

The One Need

"A GENERAL summary gathered by your committee in our conferences indicated that practically the only textile product required from the United States would be raw cotton.

"That by and large the textile manufacturing plants of these countries had recovered their equilibrium at a prodigious rate and that already home requirements could be met and a considerable exportable surplus produced, and that early in the year 1920 normal pre-war operation would be established, subject to the securing of necessary raw material and the taking into account of the reduction

in working hours to a 48-hour week as against the 54- to 63-hour week of the pre-war period.

"That by and large the mills and merchants were amply able to finance their importation of raw cotton even at the depreciated exchange, inasmuch as the world demand for textiles is great enough to immediately absorb the entire products of the mills, even at the enhanced prices of raw materials due to the high cost to them of the American dollar.

"Your committee has drawn up recommendations for the Finance Committee based on the belief that depreciated exchange is a severe hardship to the importing country when the product is to be consumed in the country, and conversely it is as much of a handicap to American export trade when it comes into competition in the world's importing markets with products which can be sold in currency which does not cost the buyer as high a price as the American dollar.

"This opportunity is taken to express to the International Trade Conference, in behalf of the textile industry of the United States, our appreciation of the caliber of the gentlemen with whom it has been our privilege to confer and to further express our appreciation of the cooperative, helpful spirit which

has been so manifest in all of our deliberations."

The personnel of the Committee on Textiles included: John R. Munn, chairman, president Textile Manufacturers' Alliance Corporation, New York, N. Y.; Paul T. Cherington, vice-chairman, and secretary National Association of Wool Manufacturers, Boston, Mass.; Vernon E. Blagbrough, assistant secretary, Chamber of Commerce of the United States, New York, N. Y.; Ethan Allen, New York, N. Y.; F. S. Blanchard, Pacific Mills, Boston, Mass.; Sidney Blumenthal, president, Sidney Blumenthal & Company, New York, N. Y.; Prof. Melvin T. Copeland, Cambridge, Mass.; Chester L. Dane, president, American Woolen Products Co., New York, N. Y.; Granville E. Foss, Brightwood Manufacturing Company, North Andover, Mass.; George H. Hodgson, vice-president, Cleveland Worsted Mills, Cleveland, Ohio; James R. MacColl, treasurer, Lorraine Manufacturing Company, Pawtucket, R. I.; Francis R. Masters, Lawrence & Company, New York, N. Y.; Henry M. Victor, president, Union National Bank, Charlotte, N. C.; A. P. Villa, president, A. P. Villa & Brothers, Inc., New York, N. Y.; Charles J. Webb, Charles J. Webb & Co., Philadelphia, Pa.

Less Credit—More Goods

Private initiative must finance the restocking of the world with commodities and the government is doing its part to put its full strength back of individual enterprise

By W. P. G. HARDING

Governor of the Federal Reserve Board

IT IS the view of the Federal Reserve Board that the need of Europe is for long credits, and that the situation, therefore, is one which appeals to the investment market. Many of the problems which now confront European countries are present in an acute form in this country, and there is a great need for larger production, reduced consumption, more economy and thrift.

The liquid wealth of the world as represented by goods and commodities has been reduced to an alarming extent by reason of the war, and the volume of credit throughout the world is out of all proportion to the volume of goods. In order to bring about more normal conditions, it will be necessary to restore the proper balance between credits and goods. This process will necessarily be a slow one, but it is essential that a beginning should be made, and the restoration can be made only by rigid application of the principle of work and save.

"Conserving" Productive Energy

WE must economize in consumption, and there should be conservation of capital and credit in order to have more of each available for the processes of production and distribution; but unfortunately the kind of conservation most in evidence just now is the conservation of productive energy.

The United States Government, beginning shortly after its entrance into the war, authorized advances to the governments of the nations associated with it in the war aggregating ten billion dollars, nearly all of which has now been allotted and used. There is no reason whatever to believe that our Government will, nor, indeed, could it without the most harmful inflation, continue to make advances out of its treasury to foreign countries, and I am convinced, therefore, that the problem of financing Europe, as far as America is concerned, is one for private initiative and individual enterprise.

It is to the mutual interest of Europe and America that any credits which may be extended shall be employed in the purchase of necessary articles, raw materials, machinery, and such manufactured goods as are necessary to relieve distress and enable the countries of Europe to resume productive operations. Credits for the purchase of luxuries should be discouraged, but it is manifest, of course, that action in this respect should be initiated in Europe rather than in this country.

It should be borne in mind that while the United States now occupies relatively a stronger position in the field of world finance than it has ever held, our bankers have had comparatively little experience in

extending long-time credits in foreign countries. Their transactions have hitherto been in the direction of dealings in short bills and in placing American securities in foreign countries, and it is important that the judgment and cooperation of European bankers be enlisted when we undertake the new role of purchasing long-time securities, especially of private enterprises, with which we cannot be expected to be familiar.

The Government's Moves

THE Federal Reserve Board appreciates very deeply the importance from every point of view of promoting our foreign trade, and believes that the banks of this country generally understand that longer credits than can safely be granted by banks are necessary if we desire to export our surplus of essential commodities.

Under the Federal Reserve Act national banks having a capital and surplus of not less than one million dollars are authorized either to establish branches in foreign countries or to take stock to the extent of 10 per cent of their capital and surplus in banks or corporations principally engaged in foreign bank-

ing. Under a recent amendment to the act all national banks, regardless of their size, are authorized to subscribe not more than 5 per cent of their capital and surplus to the stock of corporations principally engaged in such forms of financial operations as are necessary or conducive to the export of goods.

The Edge Bill, which has recently passed the Senate and which has been reported favorably by the House Committee on Banking and Currency, provides for the Federal incorporation of foreign banks and of corporations to finance foreign business. The latter are authorized under the terms of the bill to issue their own obligations or debentures against securities acquired abroad which they may offer to the investing public.

These corporations will be under the general supervision of the Federal Reserve Board, and as their funds will be drawn directly from the investment market, their operations will not impair the liquidity of the assets of the Federal Reserve banks.

Our Copper

PUT your hand in your change pocket to pay for your morning paper and you put it upon one of our most remarkable national resources.

Copper! Ever think of it?

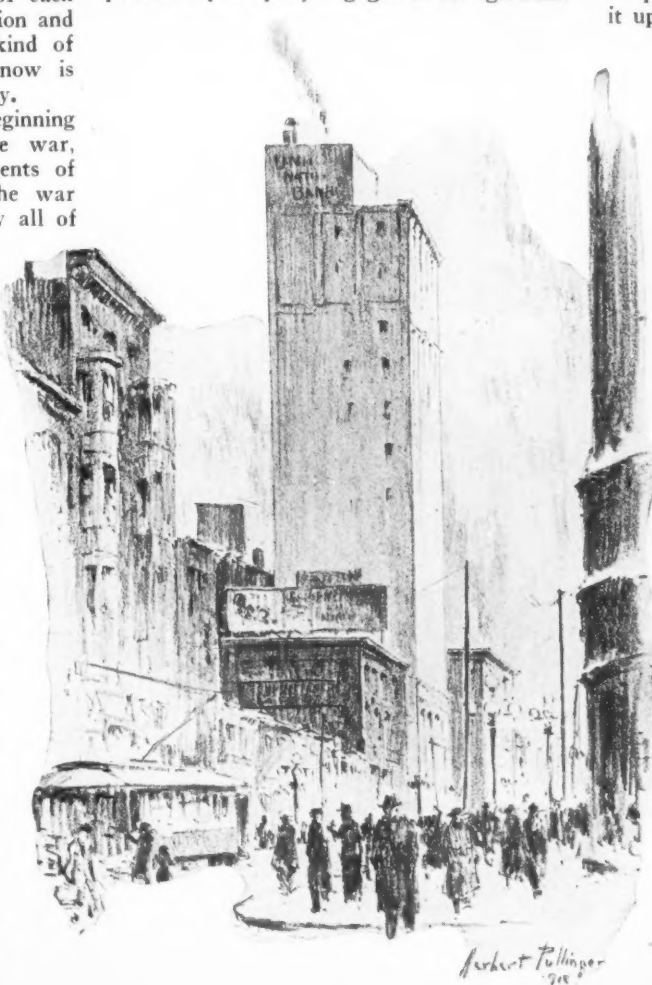
The telephone, the telegraph, the trolley car—what would they be without copper? The war—do you know that?—used up a million tons!

Germany stole all she could get in France and Belgium. It was a crying need. Back in Berlin they had iron money—so that the old American slang injunction not to take any had no meaning for the Hun. But they knew why. They were saving copper.

Germany once controlled the copper supply of the world, though before the war our own production was head and shoulders over that of any other country. In 1917 and 1918 we imported some billion pounds. Our exports were nearly two billion—this not including that exported in the form of munitions.

The world's copper supply shows no increase. No surplus is accumulating, consumption is increasing, and few unexploited fields remain. According to normal rate of increase we should produce over three billion pounds in 1920. But there isn't that much copper apparent.

The German Metall-Gesellschaft is "done in," at least for the time being, and so is German control of the world's copper. Russia and the Belgian Congo have copper, but, primarily, the United States continues as leader in copper production, and there isn't enough to go around.



The Worst Service--and the Best

Such is the present classification of America's activities in foreign trade; but the newcomers are rapidly mastering the technique and the old firms at the game have nothing to learn

An Authorized Interview with Philip B. Kennedy by Thomas H. Uzzell

"THE TIME will come soon when the man of business in the United States will be as much interested in the foreign trade conditions of this country as he is now interested in the crop reports."

This suggestive prophecy is made by the new Director of the Bureau of Foreign and Domestic Commerce, Mr. Philip B. Kennedy. If our strike troubles are our main national problem at the present time the foreign trade situation is easily next in importance. Regarding this second problem, Mr. Kennedy is in a position to speak with authority. He has seen active service as a commercial attaché in Australia, one of our important world trade outposts, and has just returned from a year and a half of the same service in London, that busiest cross-roads of international traffic.

His prophecy that in the near future Mr. Peter Robinson, a haberdasher, say, of Keokuk, Iowa, will greet his customers with, "Well, exports are looking up, I see!" has its fascination. So I began with that: "How are our exports to become as good conversation as crops and the weather?"

"What I mean," said the Director, "is this: The big immediate problems are financial, of course. But the exchange and credit situations will be remedied sooner than many men suspect. England, at any rate, I feel sure, will pull through all right. Within two or three years these foreign customers to which we have been selling so much on credit will be able to pay as they go. To enable them to do this, the United States has a new and important rôle yet to play. We shall have to lend them more money. This money will have to come from all our people. Before these two or three years are out, there must be as many purchasers of foreign bonds as there were of Liberty Loan bonds. These foreign bonds will bring overseas trade home to the people just as the Liberty bonds brought the war home. The interest on these bonds, their security, the business they represent—I imagine we'll all do a lot of talking about these things."

"But," I asked, "to handle this new foreign business we'll need other assets besides credit?"

What Money Can't Buy

"YOU'RE right, we will. There is another asset for successful foreign trade, one not easy to get, one that no number of ships can carry, no amount of money can buy. This is a thorough, general understanding of the science of the trade. England's chief advantage over us as a world trader has not been her sterling exchange, her Bank of England or her fleets, but her knowledge of the best ways to buy and sell goods overseas. She has had a better knowledge of foreign trade technique. Very few people in the United States really understand the intricacies of foreign trade. Everybody in England, you might say, understands them."

"This means," I interposed, "that the merchants of the United States have to learn different ways of doing business when it comes to dealing with other countries?"

"Exactly—the great majority of them."

"The thing most needed is popular educa-

A Fad, or a Future?

"WHAT is the cause," asked a visitor to the Department of Commerce at Washington, "of the sudden popularity among business men of the foreign trade fad?" These skeptics still exist—but in diminishing numbers. Hard, inexorable facts have made it impossible for us to retire behind a Chinese wall of exclusiveness and devote ourselves to trading with each other. Some of them are:

The United States has increased its foreign commerce in the last five years more than England increased hers during the last half of the last century. Last summer our overseas business reached a figure greater than any nation has ever known before in history. We have in our national coffers more money than the next five wealthiest countries of the world. The interest on money owed us by other countries will soon accumulate capital which is bound to overflow into new investments in new foreign enterprises. These new investments will create new American markets abroad.

Mr. Kennedy has just returned from active service on this new business front. He knows what we are in for. He is anxious to render a maximum service.—
THE EDITOR.

tion in those things which Britishers have learned by centuries of hard experience?"

"Yes."

"And isn't that one of the chief functions of the Bureau of Foreign and Domestic Commerce—to give out this information, to carry on an education in this new technique?"

"Under the statutory requirement the bureau 'promotes the foreign trade of the United States.' Yes, this education is one thing we shall do everything in our power to assist."

Now, Director Kennedy, in accordance with the best governmental tradition, had his beginnings as a school teacher. After four years at Beloit College, one year at Occidental College, and three years in the Harvard Graduate School of Economics, he taught in New York University as head of the Department of Foreign Trade and Transportation of that institution. He is "academic" in the sense that he is a scholar; he has mastered the groundings, the theory underlying his difficult profession, and he

talks clearly and forcefully, as a good professor should; but he doesn't stop with books and theories: he believes in following the goods, around the world if need be, to see what the goods do to those theories.

While studying at Harvard, student Kennedy became interested in German business organization. "These German cartels," he decided, "are portentous affairs. I'm going to have a look at them." So in the summer of 1912 he traveled to Germany to look them over, and went down to Freiburg to consult Professor Liefman, the world's foremost authority on cartels. The next year, finding himself appointed by the New York Merchants' Association to make an investigation of free ports, he once more packed his steamer trunk and set out for Rotterdam, Antwerp, Bremen, Copenhagen, Kiel, Liebeck, to see what free ports looked like in action.

Three years later he passed the examination for commercial attaché with a high score. Soon after, Dr. E. E. Pratt, then chief of the Bureau of Foreign and Domestic Commerce, notified Mr. Kennedy that he had been appointed commercial attaché to Melbourne, Australia. Knowing, however, that it's a long, long way to the South Seas and that Americans, because we had not yet entered the war, were decidedly *personae non gratae* in Australia, Dr. Pratt added: "But I do not think you will accept the appointment."

The young professor of commerce (he was then only thirty-three years of age) took the dare and accepted.

"I felt then as I feel now," said Director Kennedy, in speaking of this appointment, "that we Americans are not going to get very far as world traders until we show a greater willingness to travel right out to the new fields and shake hands with the business we are interested in.

We sense the romance of foreign trade; we like to read about it; but you can't cultivate world business from an armchair in a library. Americans travel as tourists; Englishmen travel for business; and there's something for us to think about. It's always something of a lark to go to Europe, and so we have a good many commercial men going over there. But as for Australia, South America, Africa—well, hitherto, we haven't had the time. But this attitude will change now, I am sure of it."

"Is this what you mean by foreign trade technique?" I asked.

"Yes, that's part of it. More of our commercial salesmen must put out to sea."

Getting Down to Cases

"TELL me more about this new technology," I requested. "Much of the large amount of material being printed these days about foreign trade is generalities which most of us can agree to—without being particularly enlightened. I'd be glad to get concrete ex-

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*Brown & Dawson*

IN our rapidly expanding ocean trade, coaling stations and distributing points become vitally important. Here is a view of drowsy old St. Thomas in the Virgin Islands, which are the latest additions to our territory. They were acquired from Den-

mark in 1917—consideration, twenty-five millions. The location of St. Thomas makes it a nerve center of routes from Europe to Panama as well as from the United to the Caribbean and South America. Also it might come in handy in defending the canal.

Listening in on Congress

Wit and fancy rescued from the oblivion of the Congressional Record and presented here as an intimate picture of our lawmakers as they struggle to get the will of the people on the statute books

IN these days of distorted values a girl considers the present of a pound of granulated sugar more acceptable than a box of bonbons. Soft coal has become a jewel of great price. It is small wonder, therefore, that the gift of a piece of cheese, especially the cheese that made Wisconsin famous, becomes a matter of national concern.

Mr. MONAHAN of Wisconsin: But, while great in many agricultural pursuits, Wisconsin, following the advice of the late Gov. William D. Hoard, of blessed memory, sings the Song of the Cow, for while Wisconsin in population ranks but twelfth in the sisterhood of States, in dairy products she ranks first, and in the manufacture of Swiss cheese has no rival on the globe; and the queen of all Swiss cheese-making counties in Wisconsin is the county of Green, lying in the southeast corner of the third congressional district.

Mr. Speaker, I have an announcement to make to the House this morning, in which I think all the members will be interested. While we regard Wisconsin as the great drive wheel of the dairy products of the Nation, there is one county in my district we regard as the hub of that wheel, and that is Green County. And the good people of the city of Monroe and of Green County have sent to me a Swiss wheel cheese. I am going to take that cheese and place it down in the restaurant today for lunch. [Applause.] I have seen the manager of the restaurant, and he is going to furnish some rye bread to serve with it. Now, we used to be able to say in Wisconsin—

Mr. CANNON: I trust it is as big as a wagon wheel.

Mr. MONAHAN of Wisconsin: I have not opened it yet; but it is here, and knowing how the nestor of the House loves all the good things of life, I hope he will not be disappointed. [Laughter.] There used to be another supposed necessity which went with rye bread and cheese in Wisconsin—

Mr. MONDELL of Wyoming: Who furnishes the crackers and the other fixings?

Mr. MONAHAN of Wisconsin: I do not know. I furnish the cheese, the restaurant manager furnishes the rye bread, and for "crackers and other fixings," the gentleman from Wyoming must do his own rustling. [Laughter.]

Mr. JOHNSON of Washington: Is this the product that made Milwaukee famous?

Mr. MONAHAN of Wisconsin: No; that beverage will not be on the table. Some people regard it as "infamous," but I will let the gentleman from Ohio [Mr. Gard] and the gentleman from Minnesota [Mr. Volstead] settle that question between them. In the meantime all come down to the lunch room and eat Swiss cheese. [Applause.]

Mr. BUTLER of Pennsylvania: If this is a good cheese, why not have it distributed through the folding room, so that each man can get his share of it? [Laughter.]

Mr. MONAHAN of Wisconsin: I advise the gentleman to "eat such things as are set before him and ask no questions for conscience sake." [Laughter.]

It is not regarded as being good form to look a gift horse in the mouth. [Laughter.]

Whatever Became of the James Boys?

THE high cost of poor food within the sacred precincts of the House Office Building is apparently the same problem as elsewhere. Chicken pie, "principally of car-

THERE are 531 members in the two houses of Congress. Each of these has something that raised him above his neighbors—or he would not hold his seat. Every one of them is unusual, and many of them are remarkable men. Their places were won largely through wit and speech; it is but natural, therefore, that the continual thrust and parry of debate on the floor produces verbal duels and slugging matches as entertaining as any that our dramatists have striven laboriously to create.

It is solely with the purpose of giving you a better and more human understanding of the congressmen and their job that we present these fragments of their proceedings. There are no dark political motives actuating the reporter who covers the assignment. Do not, gentle reader, attempt to discover herein any editorial design except that of rescuing for you some excellent and illuminating reading that otherwise would be lost.—THE EDITOR.

rots," beans poorly cooked and with no pork, and a chicken sandwich, "a cold, deathly cadaver at 40 cents," lighten the purse, hang heavily amidships, and take all the zest out of the afternoon's lawmaking.

Mr. KING of Illinois: Mr. Chairman, I move to strike out the last word. I do this for the purpose of calling the attention of the committee to a condition which exists in the House Office Building restaurant. That restaurant ought to be abolished. [Applause.] If it were, it would not be necessary to appropriate \$40,000 or \$50,000 for the purpose of preparing additional rooms. It would release five good rooms to the membership of this House.

I do not speak for the members of this House in condemning the House Office restaurant, but I speak for those for whom this restaurant was established—the secretaries, clerks, and other employes of the House, who can ill afford to pay the enormous and outrageous charges that are inflicted there. I have nothing to say about the restaurant below this chamber. The members patronize that, but I understand that both of them are run by the James brothers. [Laughter and applause.]

I want to call your attention just briefly within the time I have to some of the charges made in this magnificent and palatial restaurant. They are charging for a plate of ordinary thin soup, 15 cents. It can be bought at Wallis's or at Child's restaurant for 10 cents, and you can ride upon the New York Central Railroad, at a speed of 50 miles an hour, in a palatial dining car, and pay 20 cents for it.

Chicken pie, made principally of carrots, 75 cents. Some of you have tasted that composition. At Wallis's you pay 65 cents, and on the Pennsylvania Railroad, 75 cents.

Beans, that great article in which we all so

delight, 25 cents for a small handful of poorly cooked beans, without any pork. [Laughter and applause.] At Wallis's the price is 15 cents, and at Child's restaurants 10 cents, and on the New York Central Railroad only 5 cents more than they charge in this restaurant, or 30 cents.

Browned potatoes, 20 cents; anywhere else, 15 cents and 10 cents.

A chicken sandwich, a cold, deathly cadaver, 40 cents in the House Office restaurant, and if you want it heated it is 5 cents extra. On the Pennsylvania Railroad it is 35 cents.

Coffee is 10 cents. A bowl of milk is 25 cents. One ear of corn, 15 cents. And, in addition to that, they insist on charging 15 cents for a package of smoking tobacco that you can buy anywhere else for 10 cents.

Now, they pay no rent. They buy no linen. Whether they wash it or not, I do not know. The lights are free, and the help practically works for nothing, at a mere small pittance of \$5 per week. Think of it! We are raising the pay of everybody on earth, and these poor fellows work for \$5 a week. Why? Because they collect the balance off the poor girl stenographers and men stenographers and clerks that have to go there because they can not find any other convenient place. The balance of it is collected off them.

I do not know who has charge of this matter. It is not a political matter, gentlemen. I am not drawing the party line on this. It is a matter in which we are all vitally interested. But I do say this, that somebody in authority in this House, if we are not absolutely palsied legislatively, ought to look into this very simple proposition. The railway brotherhoods came here a few weeks ago and rapped upon the doors of this Congress and they said they wanted so and so. I really interpreted that to mean that they wanted us to wake up on the question of the high cost of living. The Congress was not to blame. But the House ought to look into this matter in addition to appropriating this money.

"Chicken, Five Drams—"

THE attention of the lawmakers is once more directed toward the shadowy person who runs the House restaurant. After a scientific investigation of a lettuce and chicken sandwich, a report is made that may attract the attention of Mr. Attorney General Palmer, who has started a drive on profiteers.

Mr. HUDSPETH of Texas: I would like to ask the gentleman who has charge of the restaurant down there?

Mr. KING of Illinois: It is impossible to ascertain who it is. It is some shadowy, ghost-like individual. I have not been able to put my hands upon him yet. If any of the members have information on that subject, I will be glad to receive it. For the purpose of offsetting this propaganda to which I have referred, I thought I would make a specific investigation, something that the membership could rely upon, and which could be put in the *Congressional Record*.

COST OF FOODSTUFFS IN HOUSE RESTAURANT

On October 11, 1919, a plate of boiled corned beef and cabbage was purchased at the House Office restaurant for 50 cents, and a lettuce-chicken sandwich for 35 cents, both prices prevailing that day.

In order to get the actual cost of the materials used in both plate of corned beef and cabbage and lettuce-chicken sandwich, the component parts were weighed on an apothecary's

scales at 1:25 p. m.—within an hour after purchase—at the drug store of H. E. Sprucebank, 201 Second Street S. E., Washington, D. C. Because market prices of the various objects were given in avoirdupois weight, the figures were reckoned in avoirdupois. The wholesale prices of the articles were obtained from prominent firms and the actual cost of the materials thus computed.

The corned beef and cabbage, which sold for 50 cents an order, was found to contain 8.05 cents' worth of material at current market prices.

The lettuce-chicken sandwich, which sold for 35 cents, was found to contain 4.58 cents' worth of material at current market prices.

Corned Beef and Cabbage (Including Bread and Butter)

Cost:	Cents
Corned beef—2 ounces 4 drams 40 grains apothecaries' weight, or 2 ounces 14.4 drams avoirdupois, at 30 cents per pound (price from T. H. Keane & Co.)	5.43
Cabbage—3 ounces cabbage, apothecaries' weight, or 3 ounces 5.76 drams avoirdupois, at 3 cents per pound (price, Golden & Co.)	.63
Bread—1½ ounces apothecaries' weight, or 1 ounce 10.88 drams bread, at 7 cents for 12-ounce loaf, avoirdupois (price, Corby Baking Co.)	.98
Butter—1 dram 40 grains apothecaries' weight, or 3.728 dram avoirdupois weight, at 70 cents per pound (price, Golden & Co.)	1.01
Total cost of materials	8.05
100 per cent for handling	8.05
Net cost of serving	16.10
Selling price	50.00

Net profit, 34 cents, or approximately 212 per cent.

At above prices, 3 pounds of corned beef and cabbage for a working-man's family dinner would cost \$3.

Now, as to the more important item of the sandwich, I will say to the members that I endeavored to preserve the sandwich that I might exhibit it on the floor of the House, so that the members could get the dimensions of it as I talked about it; but, unfortunately, I could not get the floor soon enough, and the sandwich began to get rather muscular, and the cockroaches were accumulating and mobilizing in three or four regiments outside of the door, and I had to throw it out of the window. [Laughter] However, it might have been seen by some of the members of the House with the naked eye, but members on the back seat would have been deprived of the exhibition.

Now, here is what I have gathered as to the chicken-lettuce sandwich:

Cost:	Cents
Chicken—5 drams 30 grains apothecaries', or 12.336 drams avoirdupois, at 45 cents per pound (price, Golden & Co.)	2.16
Lettuce—5 drams 20 grains apothecaries', or 11.968 drams avoirdupois, at 6 cents per pound (price, Golden & Co.)	.28

Butter—1 dram 40 grains apothecaries', or 3.728 drams avoirdupois, at 70 cents per pound (price, Golden & Co.) 1.01
Bread—1 ounce 5 drams 50 grains apothecaries', or 1 ounce 15.04 drams avoirdupois, at 7 cents for 12-ounce loaf (price, Corby Baking Co.) 1.13

Total cost materials 4.58
100 per cent for handling 4.58
Net cost of serving 9.16
Selling price 35.00

Profit, 25.84 cents, or more than 250 per cent. At the above rate, one 3-pound chicken would make 70 sandwiches, which would sell for \$24.50. So there you are, Mr. Chairman.

Shades of Pig Iron Kelley!

HONORS of varying significance have been conferred upon our statesmen from time to time. Now comes the degree of P. B., of the order of High Protective Tariff, which has been bestowed upon the Gentleman from Iowa.

The House in Committee of the Whole House on the state of the Union had under consideration the bill (H. R. 7705) to amend section 339 of the tariff act of October 3, 1913, in respect to the tariff on buttons of shell and pearl.

Mr. KITCHIN: I think it is most appropriate for the gentleman from Iowa, Mr. Hull, and for the other gentleman from Iowa, Mr. Green, to bring these shells in here and exhibit them, because this game they are trying to play on

a bill; if they did, the manufacturers of pearl buttons in Muscatine, Iowa, in his district and State, or their attorney, would have introduced it. [Laughter.] But they did frame the bill.

They told Mr. Green what to put into it, and told the Committee on Ways and Means what they wanted in it, and the Republican members of the Committee on Ways and Means put in exactly what they said they wanted in. [Laughter.] I said the manufacturers in actual fact conceived and dictated the preparation of the bill. Perhaps it would be more accurate to say that the hired lawyer of the manufacturers supervised the framing of the bill. Let us see. Turn to Mr. F. M. Swacker's testimony given before our committee. He says he is counsel for the National Association of Pearl Button Manufacturers. What kind of a tariff and what rate did he want on pearl buttons? On page 16 of the hearings he expressed the wants and demands of the manufacturers, his clients. I quote from him:

"Pearl buttons or parts of pearl buttons, finished or unfinished, 1½ cents per line per gross and, in addition thereto, 15 cents ad valorem."

And into this bill, fathered by the gentleman from Iowa [Mr. Green], went the identical demand of this hired lawyer. Let me read from the bill:

"Buttons of shell or pearl, finished or partly finished, 1½ cents per line per gross and, in addition thereto, 15 per cent ad valorem."

[Laughter.]

The same old way all Republican tariff bills are written.

But Judge Green and the Republicans on the committee are entitled to great credit for credulity in believing that this hired lawyer knew exactly how to write the right kind of a tariff bill and the right tariff rate to protect the industry in his district and his State. [Laughter.]

Judge Green has made a most magnificent fight, and so has Mr. Hull, for the pearl-button industry, "to save the industry" in their State and districts. He has made a splendid, magnificent speech in advocacy of it. He has made a splendid report in behalf of the majority of the committee. He has the distinction of being the first and only man since the beginning of the Government who has made a pearl-button speech in Congress. I recall what I was a boy—and all of us recall—that there was a distinguished gentleman, a member of Congress, by the name of Judge William D. Kelley, who, for his able championship of a high tariff on pig iron, became known throughout the length and breadth of this country as "Pig Iron Kelley," and he deserved that distinction. [Applause.]

His biographer states that he was so well known in the United States as "Pig Iron Kelley" that a letter addressed simply to the "Hon. Pig Iron" would seek him out wherever he was and be delivered to him.

Now, the distinguished gentleman from Iowa [Mr. Green] deserves and is entitled to be hereafter known as "Pearl Button Green." [Laughter.] It is an honor which if I were in his place and a high protectionist, as he is, and representing his district, perhaps, I would carry with much pride; and I am just as sure, after this bill is passed and the people through-

(Concluded on page 99)

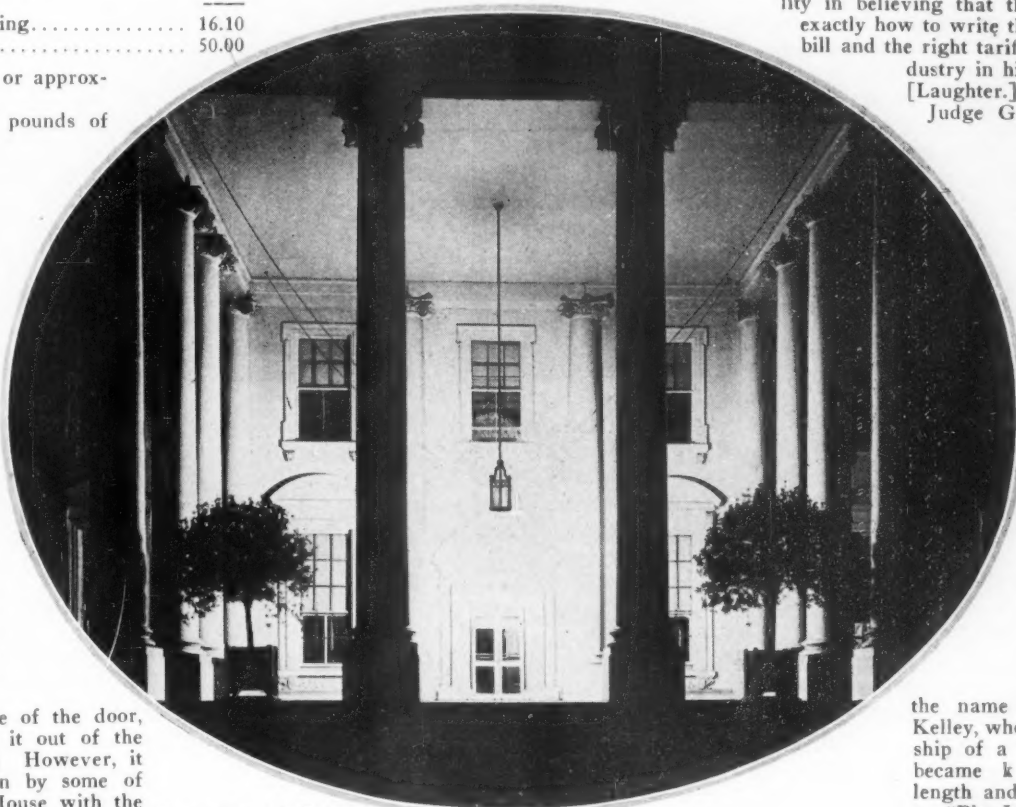


Photo by Harris & Ewing

The main entrance of the White House

the rest of the members of this House and on the country by this bill is a shell game pure and simple. [Laughter and applause.] I do not propose that they shall play that game unless the men who are going to help them play it know the facts. If they get stung, all right. [Laughter.] It will then be their fault, and not mine. [Renewed laughter.]

The distinguished gentleman from Iowa, Mr. Green, is the author of this bill; that is, he introduced this bill. But he is not its real author. The rules of the House do not permit a man not a member of Congress to introduce



How Much Do We Earn?

THE INCOME of the people of the United States can be computed some day through the statistics of the Bureau of Internal Revenue. That day has not yet come, but the bureau's data is gradually eliminating the element of guesswork.

In October, the bureau announced figures from returns for income tax filed last year—*i. e.*, for tax on income in 1917. The net income of 3,472,000 persons was \$13,652,000,000. That everybody in the country did not have to file a return is clear from the law, and also from the circumstance that there are well over 20,000,000 heads of families in the country. How much the earnings of the persons who did not have to file returns would increase the figures no one can tell, but the aggregate would be large.

Of personal incomes reported, 30 per cent came from services and 32 per cent from individual or partnership business enterprise; from these sources the total was 63 per cent. Five and a fraction per cent arose out of rents and royalties, seven and a fraction from interest, and twenty-three and a fraction from dividends.

The dividends received by individuals, \$2,848,000,000, lead one to turn to the statistics of corporations. These statistics show that stockholders obtained less than the federal and local governments from corporate profits; for federal income and excess-profits taxes took \$2,142,000,000 and other taxes reached \$1,040,000,000. The stockholders did not keep all they received, either, being subject to surtaxes on their dividends.

As was to be expected, all the corporate net income was not distributed. For the 66 per cent of corporations that showed profits it totalled \$10,730,000,000. This was the net out of \$79,540,000,000 gross income in 1917. In other words, corporate net income was in 1917 approximately 13 per cent of gross. That was a great decline, as it had been 27 per cent of gross in 1916. In the earlier years, the gross was very much smaller, being \$32,500,000,000. These figures exclude the returns of corporations which showed no net income, and they were a considerable number, no less than 119,000 in 1917 and 134,000 in 1916; the deficit showed by this group in 1917 figured up to the neat sum of \$629,600,000.

Although corporations as a whole disbursed in taxes and dividends an amount equal to 57 per cent of their net income, they apparently needed practically all of the net income they kept to continue their business under trying conditions. This seems clear for the reason that there was in 1917 a tax on amounts which were not distributed and were not reasonably needed, or were not invested in Government bonds; the returns of this tax show that only \$7,750,000 of such money was found. Any further amount that was not needed for the business was lent to the Government.

And Our Total Business—

A figure for the income of all the people of the country is not the only quest of persons whose curiosity runs to statistics. The total business done in the country is frequently asked. As for that, it can only be said that with corporations reporting gross sales and other income from operation in 1917 at \$78,000,000,000 and individuals engaged in industry and commerce reporting gross sales of \$12,489,000,000, even a conservative guesser, bearing in mind the value of farm products and other things sold by individuals, can now with safety go well across the one-hundred-billion-dollar line for 1917, when he mentions the

total business done in the United States during a year when the country is really at work.

The figures in the last paragraph will stand a little examination. An analysis may very well begin with the figure of \$84,693,000,000, the gross income of all corporations—both the two-thirds that showed profits and the third that had no net income. Of this gross income, the amount derived from sales and other operations in 1917 was \$78,596,000,000. The balance came from rents, royalties, dividends, etc. The total deductions which corporations were entitled to make in order to reach net income for the purpose of federal taxes were \$74,592,000,000. The net income of American corporations as a whole, from operations in 1917, would therefore seem to stand at approximately \$4,000,000,000.

This sum is less than the dividends paid to individual stockholders plus the income and excess-profits taxes paid to the federal government. It would seem fortunate, therefore, that corporations had made some investments in earlier years; otherwise, dividends to individual stockholders would have been less, the surtaxes stockholders paid to the Government would have been proportionately smaller, and there would have been little or nothing for corporations to carry to surplus for the purpose of financing their operations in our present period of advanced prices.

There seems to be another inescapable conclusion in the statistics. Between 1916 and 1917 American corporations cut in two the ratio between gross income and net profit, and in 1917 they handled a volume of business more than twice the volume of 1916, but added to their net income only 25 per cent. On the face of this showing corporations as a whole would seem to have been profiteers, if there were any in 1917.

Prescribed for Coal Shortage

IN ENGLAND—as recently in this country—a threatened fuel famine has led to a government appeal to large fuel-users to employ a new substitute. This is mazut, the heavy oil residue remaining after gasoline and kerosene have been distilled from crude petroleum.

The government will deliver this heavy oil to large concerns who convert their boilers to burn oil instead of coal. It is higher priced but has greater fuel value. The adaptation of boilers to it is claimed by the British to be a long job, but American engineers guarantee it in six weeks.

Par Money and the Melting Pot

THE SILVER DOLLAR has become precious again. As recently as 1915 the real value, expressed in the market price of the silver it contains, was 40 cents. Recently, it has actually come to the dollar mark.

Of course, silver has been well over a dollar an ounce, but our silver dollar falls short of containing an ounce. When silver sells at \$1.2929 the dollar is really at par with the market. Our dimes, quarters, and half dollars contain still less silver proportionately to face value. Silver will have to go to \$1.3823 an ounce before their contents are worth on the market as much as their face.

Minor coins are meant to circulate, not to be intrinsically worth the amount stamped on their face. If the price of silver rises beyond the face value of coins, the coins are melted and the populace has to resort to postage stamps or other makeshifts in order to make change with the grocer or pay the newsboy. England has found the market price of silver getting so near the point where it will be profitable for people to melt down its coins that it has placed an embargo upon exports of silver.



We cannot impose embargoes with so much ease as England, and our Treasury may take advantage, if it sees danger that our dimes and quarters will disappear over-night, of the law under which it melted down some millions of silver dollars and shipped the bullion to India during the war; using the same power, it may sell silver in the market to keep the price down. Not being very extensively in circulation, because of our paper money in dollar denomination, our silver dollar may not cause our Treasury much worry, in connection with the price of silver.

"Are You There?"

THE AMERICAN yells "Hello!" into the startled receiver; the Briton uses the phrase above. But London, today, is finding an annoying ulterior meaning in her established greeting, for the London telephone service has become highly unsatisfactory. A delegation of business men, in fact, waited upon the Postmaster General of this government-owned public utility and he tried to pacify them by promising three million pounds worth of improvements. The Postoffice took over the service in 1913.

Operating under war conditions, there was no time save for patchings and makeshifts. The Government also took away over a thousand trained operators during the war to attend to Government private exchanges. The traffic has now increased enormously. Calls that, before the armistice, numbered under a million a day are today fully one and one-half million. Fourteen thousand lines in London have been installed since the armistice and 900 per week are being added. But more wires, more cables, more exchanges and exchange boards, and a larger staff are still needed.

The deficit on the service this year is two million pounds. If some English Theodore Vail is blushing unseen he might well be called into action.

Another Philanthropist Balked

OVER-NIGHT RICHES, when promised in return for a few hard dollars, do not appeal to the Federal Trade Commission. It has commanded a Texas promoter of oil stocks to appear and explain promises of dividends at a rate of 60 per cent a year, stock dividends of 200 per cent, and a million dollars or better in profits from an oil company which he told the public he was using for his less fortunate fellow citizens.

Manna, Not Heavenly

STRANGE to stumble upon a quotation about manna in news of the drug and chemical trades! The children of Israel, we know, were saved from starvation in the desert by it. It fell from heaven, was small like coriander seed, and tasted like wafers made with honey.

However, the actual manna of trade today comes from incisions in South-European trees and it is now reported to have been quoted higher than previously in the primary market. The demand has increased of late, especially for small flake manna, which is the better quality, coming from the upper part of the stem of the tree.

Weight vs. Value

VALUES of imports and exports may do very well for the banker and the dealer in exchange, but the shipping man wants to know about tonnage.

Our official figures for foreign trade have been expressed mostly in dollars and cents, and they accordingly have not meant very much to the managers of the new mercantile fleet we have ac-

quired by virtue of the war. Additional figures in tons are now before the men whose chief interest is in cargo, and they bring to light some interesting facts.

In 1914, it seems, our sea-borne foreign trade amounted to 81,000,000 long tons, with 64 per cent of the tonnage representing exports. In 1918 the total tonnage was 92,500,000, and 68 per cent were exports. In tonnage, therefore, our foreign trade was 14 per cent larger in 1918 than in 1914.

When measured in values, however, the story is different. For 1914 the value of our foreign trade was \$4,258,000,000, and exports represented 53 per cent. In 1918 the value was \$8,865,000,000 and exports were 66 per cent. The value of our foreign trade in 1918 was 108 per cent greater than in 1914.

Such figures go to emphasize that cotton and coal are not of the same value a ton, nor raw silk and jumping-jacks.

Daylight Saving Refuses to Down

DAYLIGHT SAVING may prove hard for Congress to escape. To be sure, Congress exercised its powers and repealed daylight saving—or, more accurately, "summertime"—concluding that its blessings were detrimental to the country at large. But in recent years members of Congress have spent a great part of their summers in Washington, and next summer, when they may remain at least until the political conventions come along, they may be confronted with a popular movement in Washington that will set the local clocks ahead. Some of the clerks in Government bureaus have already provided straws to show the probable direction of local sentiment next summer by voting to go to work in the morning half an hour earlier than the standard time, in order to gain a half hour at the other end of the day, even in winter.

If Washington's own clocks should go ahead an hour next April, and Congressmen object, they may have to submit or use their powers as legislators for the District of Columbia and provide criminal penalties for all persons who like their daylight saving!

Most cities do not have a Congress for their legislative body, but look to a city council, and some of them have appealed successfully to their city fathers for local preservation of daylight saving. The City Council at Cincinnati has made daylight saving a year-round institution for its citizens. The Board of Aldermen of New York City has decreed for daylight saving next summer, and the Council of Hartford, Conn., has recently done as well for its citizens.

These are merely illustrations of cities where daylight saving is getting attention, and through local action may be prevented from becoming obsolete.

Headlines and Hosiery

NEWSPAPERS are said to be a comfortable covering for bench-warmers; but who ever heard of stockings made out of that material? As a matter of fact, the product that goes to make your favorite journal and artificial silk hosiery "that you can't tell from real" is exactly the same. You can now lay the dangers of deforestation at the door of the economical fair sex as well as the journalist tribe, for both stockings and wuxtries are made from wood pulp.

This last year fifteen million pairs of silk stockings so made were exported from the United States—between two and three times as many as in 1918.



Europe and Henry Smith

The only agencies powerful enough to put our foreign customers again on their feet are the everyday American investor and the skill of the individual business man

By GUY EMERSON

Vice-President of the National Bank of Commerce, New York

ENTIRE frankness in discussion, sanity in business viewpoint, and the mutual determination to work out practical measures characterized the conferences of the Committee on Credit and Finance with the representatives of England, France, Belgium and Italy at the International Trade Conference in Atlantic City.

The direct personal contact developed at these meetings between men representing the business interests and responsibilities of the five participating countries did more in five days toward developing practical solutions for the problems presented by present-day abnormal foreign trade conditions than weeks or even months of long-distance discussion and negotiation would have done. The Committee on Credit and Finance, which was under the chairmanship of James S. Alexander, president of the National Bank of Commerce of New York, can justly feel that its activities and recommendations constitute a real contribution to the great task of redressing world affairs.

The representatives from Europe came to America with a heavy burden of responsibility—the responsibility of making clear, on the one hand, how great and how critical are the needs of their nations for those supplies which the United States has in such great abundance, and, on the other hand, to demonstrate that although credit must be given, there is no doubt of the ability and determination of their countries ultimately to pay their obligations. Their task, in short, was to make clear that they have a sound business proposition to offer America, not merely an appeal to her humanity.

To Keep Europe's Trade

THE American representatives also had heavy obligations. Their responsibilities were to consider Europe's distress on the grounds of humanity as far as practical, but at the same time to conserve the interests of the American business man, manufacturer, investor and working man. This was a difficult problem. One phase of it was to make sure that Europe could continue to come to this country for her purchases in order to absorb the surplus products of America, on which a large part of our business prosperity now depends. At the same time it was necessary to make plain to the foreign representatives that, in extending credits to Europe for these purchases, proper security and interest return would have to be assured the American investing public in order to obtain its effective support.

The representatives from Europe set forth

the needs of their countries clearly, fully and frankly. The British delegates stated that they had not come seeking any unusual credit arrangements or government intervention, but simply desired that business transactions between America and Great Britain go on as before without any obstructions being

by plants available for the needs of peace. It is during the transitional period that the special aid of America will be required. France would be able, and was determined, her representatives said, to rehabilitate herself unaided if need be, but aid from the United States would make her task easier and shorten her period of stress.

The representatives of Belgium presented no definite amount of credits needed, but stated that substantial amounts of goods from America, chiefly cotton and wheat, would be required on credit. They stated that two and a half years' maturity would be sufficient for these credits, and only asked that as reasonable terms as possible be granted. They presented a convincing picture of sound government finance in Belgium and of rapidly progressing industrial rehabilitation.

The Italian representatives were equally specific with the French in setting forth their country's credit needs, placing the amount of long-time credit needed at about five hundred to six hundred millions, to be used for the purchase in this country of foods, raw materials and machinery. Their report of conditions stressed the developing trade and industrial future of Italy, the measures under way to place national finance on a sound

basis, and the plans formulated for a great banking consortium with government endorsement to guarantee loans made to Italians.

Thus it is seen that diversified conditions are to be met in respect to these countries of Europe, and that therefore only a very flexible plan will be adequate to meet the problem presented. With this truth in view and conscious of the need of prompt action for the most efficient aid to Europe, the Committee on Credit and Finance drew up a report in which it suggested expedition in the passage of the Edge bill and the formation under it of corporations of substantial size with adequate capital to meet Europe's credit needs and the immediate appointment of a committee of national standing to give further study and guidance to this great problem.

Normal Methods as Well

THE report emphasizes the importance of the full employment of normal as well as unusual business methods and the confidence that if prompt action is taken along the lines suggested, ways and means can be found to meet the needs of Europe. In full the report is as follows:

"Your Committee on Credit and Finance was invited to meet here to confer with business and financial representatives of England,

The Key

NO MATTER where you start on the question of foreign trade these days, you wind up with finance—and come to a stop. If dollar exchange doesn't buck up, our exports are going to dwindle. And if the huge surplus we have been selling abroad is blocked it means idle factories and bolshevik workmen.

The government has done all it can in this direction. It now has plenty of finance problems of its own. The banks alone can't swing the job. Commercial institutions, for instance, are prevented by sound business and by law from tying up their assets in long-time loans. And that's just what is needed.

Only the savings of the American people can furnish this capital. But is John Jones of Osawatimie, Kansas, going to put his money into a French tramway concern? Probably not. However, there is a way as shown here, by which Jones can invest in an American security and at the same time furnish the French company the needed credit.—THE EDITOR.

placed in the way of ordinary, normal business methods. At the same time that it was thus brought out that England herself would not require special assistance, her representatives bespoke generous consideration on the part of the United States for the impoverished countries of Europe.

France's needs, as set forth, were more specific. Her representatives said that during 1920 she will need from six hundred to seven hundred million dollars' worth of foods, fuel, cotton, copper, steel and other necessities, and that these purchases will have to be made in the United States on long-time credit. Her representatives stated that credits with a ten-year maturity would be required by France to bridge over the time until she would be enabled to get on her feet industrially, financially and economically. Very properly the French representatives pointed out that a great amount of industrial machinery had been financed and constructed by France for war purposes and that these plants had supplied the American armies in artillery with 100 per cent of the 75's used by them, 100 per cent of the 155's, 100 per cent of the light tanks, and 65 per cent of their airplanes, and with an aggregate of 65,000,000 shells. France's other allies were also furnished large supplies. These factories will have to be scrapped and replaced

France, Italy and Belgium, for a frank discussion of facts and exchange of views. It was hoped that a better understanding of the needs involved and of the resources available to meet these needs would be reached.

"Your committee began its sessions on Sunday, October 19, with the purpose of developing the views of the American bankers and business men on the committee who come from every section of the United States. This group has met, in turn, with the distinguished missions from the nations represented at the conference and has had the opportunity of hearing statements of extreme value with regard to the economic, industrial, commercial and financial situation in those countries.

"In addition to this information the committee has been advised to some extent of the needs of other nations; many measures have been discussed informally which have to do with supplying the necessities of life to the stricken areas of Europe. It is not within the authorization of the present committee to discuss officially here the countries not represented at this conference.

"The entire situation has taken on a new significance because of the personal contact made possible by the presence of men of such ability and long experience in international trade and finance. The spoken word is always more vivid than the written word. It may be said in general that, after hearing all the statements made here and studying as far as time permitted the facts and opinions submitted by foreign and American delegates to this conference, your committee regards this situation not as one of finance purely, but rather as a great world problem arising out of the interplay of social, economic and political forces stirred into action by the world war. It must be self-evident, therefore, that no single all-inclusive formula will solve it.

It Can Be Done!

"AND yet we believe that ways and means can be found to furnish what is asked of us by the countries which have told of their needs at the conference. Of course, until the factories are again in full operation and these countries have thus substantially decreased their imports and increased their exports, it is clear that they must not be expected to make immediate payment in the United States for the materials they need.

"The missions in turn have emphasized the ability and determination of their nations to meet their obligations as they have always met them in the past. They have stated that they expect any loans negotiated here to be on terms and conditions that will meet our domestic situation. The British mission has not asked for any special aid for their country. The need of these countries which do desire aid of us at this time is in the nature of assistance only until the peak of their reconstruction period is passed. The length of that period will vary in different countries in proportion to the extent of the destruction of war and also in proportion to the speed with which their internal economic machinery can be fully set to work. The foreign missions point out further that the duration of their period of trial will depend to some extent upon the speed with which our aid is rendered. They are already at work. But

without help from the outside, they cannot approach a maximum of industrial activity for a long period.

"How are these needs to be met? European conditions are such that to a large extent our exports must be made on long-time credits. We find evidence of belief among American exporters that the banks should provide funds for the financing of our exports to Europe in such a manner as to place upon the banks the burden of the transaction.

"The banks are eager to help. The difficulty is that commercial banks, as custodians of funds, under obligation to repay deposits on demand, are prevented both by law and by sound business practice from tying up their assets in long-time loans. We find this view understood and confirmed by the distinguished bankers among our European guests. American banks are today functioning normally in the financing of a substantial part of our foreign trade. To the extent that what we export is balanced by what we import, banks can very well make the temporary advances required. But the problem of financing the excess of our exports over our imports, the problem of supplying the long-term credits to cover the balance of trade, is not one for the banks alone. Neither can the banks and the merchants solve it alone, because the extent to which merchants and producers can properly tie up their working capital in long-time advances to foreign customers is limited.

"To the extent that long-time credits are required, therefore, it is clear that special machinery must be set up and that, while the commercial banker will have an important role to play, a large responsibility must rest with other elements in the population, notably the investment banker, the exporter, the producer of goods for export, and, most important of all, the American investor.

"To meet the problems of long-time commercial credits your committee believes that organizations of the type contemplated in

Association and other influential organizations. We recommend that steps be taken to expedite the speedy passage of that legislation. We have given study also to the powers of the War Finance Corporation as a helpful agency in the present situation. We believe further careful study should be given to both these agencies with a view to bringing about not government initiative in this work, but rather the establishment of a cooperative relationship which will give help and encouragement to private initiative and increase the broadest confidence on the part of the public as a whole in the credit machinery to be set up.

There Is No Substitute

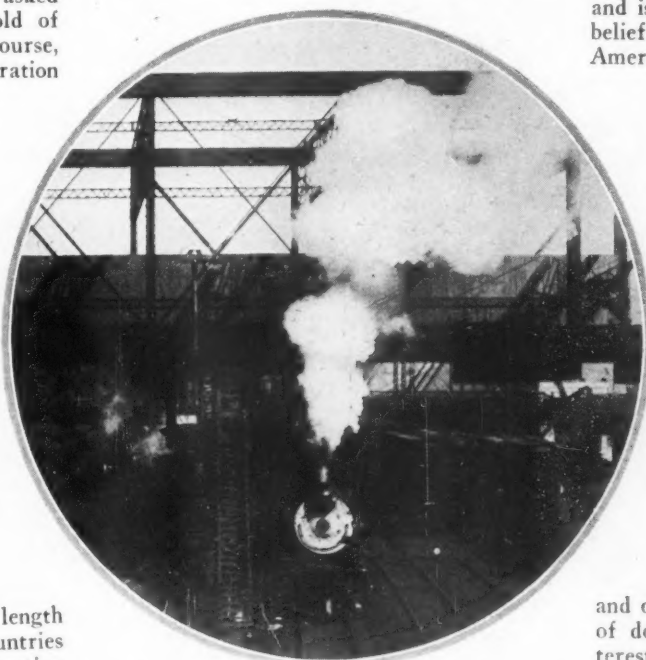
"IT should be stated again that no corporation which may be set up can take the place of individual ingenuity and the wide variety of effort and skill on the part of business men and bankers, working out in detail with business men and bankers in Europe specific transactions. Some of these may be individually small. But the success of one will lead rapidly to the development of others, until in the aggregate the business done will be large. A return of this normal intercourse, we believe, is the ultimate objective desired on both sides of the water and should be constantly kept in mind and encouraged even while we are devoting ourselves so earnestly to providing unusual and temporary measures to meet emergency needs.

"It is in this attitude that your committee has approached the formation of corporations of substantial size, under provisions similar to those in the Edge bill. An organization with ample capital with facilities to obtain full credit information abroad, and with a personnel which will insure an unquestioned standing at home and abroad appears to be, in the estimation of your committee, an expedient well worth support at this time.

"When such a corporation is established and is ready to issue its debentures, it is our belief that the securities to be offered to the American public should stand on their merit as an investment. We feel that if a security is made available through the established investment-selling machinery of the United States, on a business basis, the American public will demonstrate that they have a deep interest on the grounds of friendship in the splendid peoples who bore the greatest share of the war, and with whom our soldiers fought side by side until victory was won. Nor will our people be unmindful of the fact that men, women and children in some sections of Europe will die of disease and starvation unless help is speedily forthcoming from us. And, finally, we believe the investing public realizes that the world is suffering from the contagion of social unrest and radicalism, breeding a disregard for law and order which endangers the very existence of democratic institutions. It is to our interest to aid in re-establishing law and order everywhere.

"Your committee is deeply impressed with the necessity of action which will meet as quickly as possible both the desires of our foreign friends and the wishes of our own people. There is no lack of desire to help.

(Continued on page 99)



pending legislation constitute a valuable part of the new machinery needed to meet the present emergency. We have discussed at the conference the possibilities of corporations formed under the provisions of the Edge bill, the principles of which have been endorsed by a committee of the American Bankers'

Enter—a New Source of Energy

The law of gravity has been upset to put upon humanity's grate bars a new fuel which, its creators claim, may save our descendants from a famine in heat

By ROBERTS EVERETT

URGED on initially by a war emergency, American experimenters have developed a fuel mixture which is expected to halve the fuel dearth of the earth, give industry an added stature and the grasp of commerce longer reach. Plantation fires will have a readier fuel; office, home and institutional buildings a less expensive heat.

Liquid and solid fuel have been combined in a new whole. By its virtue, lean and hitherto poor veins of coal assume value, and the oil stocks of the world are materially conserved.

Great crucible furnaces and the driving engines of huge liners acquire a new combustion material. A mixture of coal and fuel oil—*colloidal fuel*—made possible by the suspending in the oil of pulverized coal atoms, creates an energizing force the flow of which has become ready for the tissues of the nation's almost entire business.

Picture a fuel that can be sealed against combustion, that has a greater unit rate of heat a gallon than fuel oil, that handles as easily and simply as fuel oil, that is self-quenching if poured out upon water, that, although using coal, almost wipes out ash from the vocabulary of a furnace room, that burns smokelessly but can be made to throw off smoke screens—of which three and one-half pounds can be contained within a gallon.

The credit for such a unique fuel rests with the Submarine Defense Association, a private organization which co-operated with the United States Navy and the British Admiralty in scientific anti-U-boat warfare, using a United States naval vessel for experiments. The head of the Association's Engineering Committee, Lindon W. Bates, took to himself the development of a fuel of a certain new and important nature. He enlisted for its trials experts from some of the largest corporations in the country. Among

them were men from the Eastman Kodak Company, the West Virginia Paper and Pulp Company, the New York Edison Company, the Interborough Rapid Transit Company, the Fuller Engineering Company, the Nichols Copper Company, the American Smelting and Refining Company and the Baltimore Copper Smelting and Rolling Company.

Few persons know of the dismay that lived among the Allies during the days when their war against the submarine appeared to go against them. Fuel was consumed in enormous quantities by the Allies' vessels of war and other fuel went down at sea in quantities endangering the final success of the war. Although fuel was plentiful in the world as a whole, it was an alarming scarcity at sea and behind the western fronts. In England there was coal, but many veins were too lean for Grand Fleet use. The same condition was true in Italy. Russian and Roumanian oil was not obtainable, and American oil had to traverse an ocean watched by periscopes. The supply of fuel that could be counted certain was foreseeably exhaustible.

To afford an inexhaustible supply of fuel for Democracy's Grand Fleet was Mr. Bates' first purpose. He is an expert on the oil fields of the world and on the nature of fuel oil, and he knows coal, also, as few engineers. Once entrusted with the work by the Submarine Defense Association, experiments under his direction that counted hundreds began, progressed and, in the end, produced the sought for and successful colloidal fuel. By co-ordinating business resources, executive ability, and spirit with scientific minds and methods the hitherto impossible was achieved.

The Secret of It

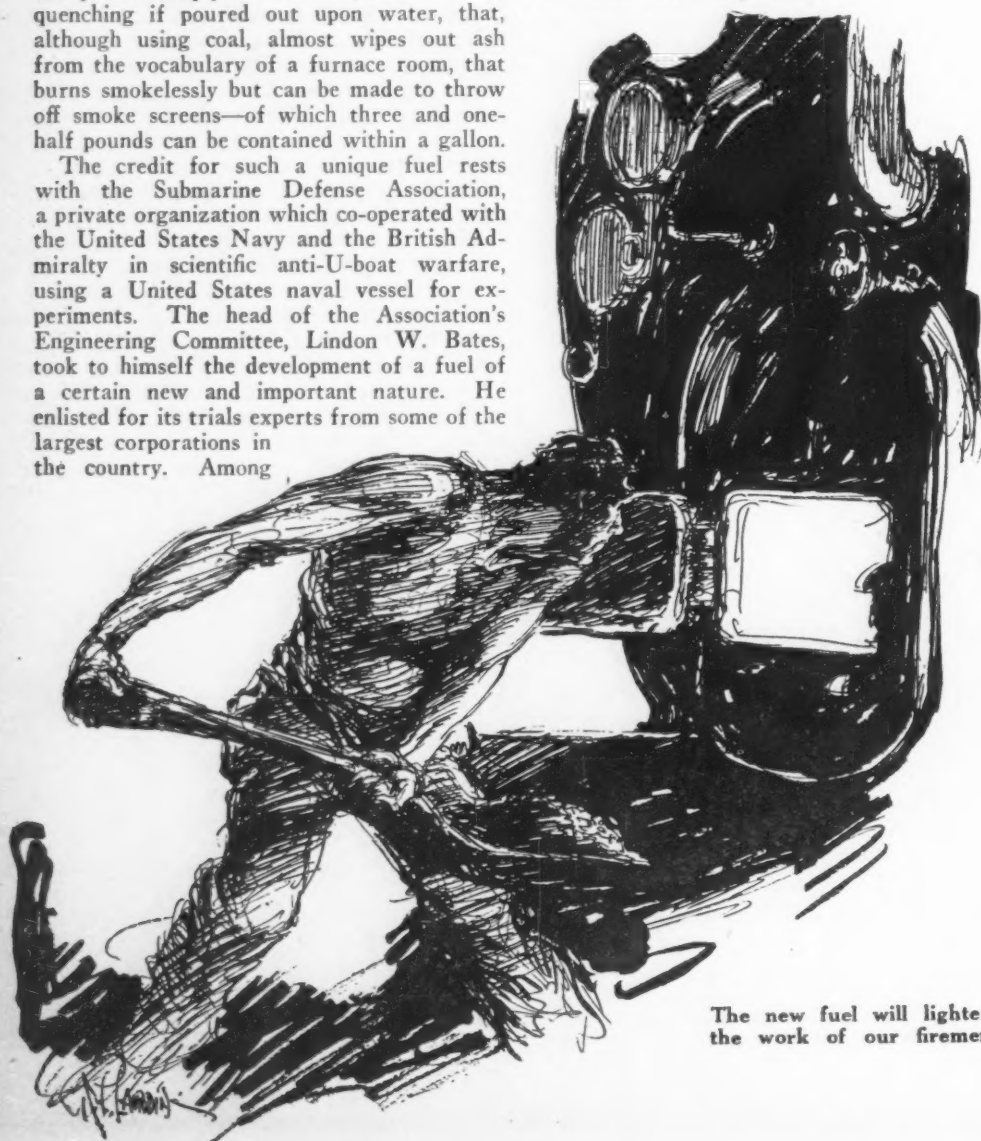
INVESTIGATORS who before the war had attempted the same thing failed. They failed for the one simple reason that keeps lemon seeds at the bottom of a lemonade glass or that sinks pebbles in a puddle—that of gravity. Coal in any form had never successfully been suspended in a fluid substance. The Bates experimenters first pulverized coal to nearly molecular fineness. By diligent effort they perfected a suspending ingredient—a *fixateur*—that thwarts gravity, keeping the coal particles held where placed in the new mixture. The nature and the content of the *fixateur* are secret.

The progress and success of the Bates experiments are well wrapped up and more or less definitely told in this one fact of the *fixateur*. Once it was obtained and its action affirmed, development of colloidal fuel was comparatively simple. The story of its method of achievement is fascinating chiefly to engineers—the significance of what the fuel may accomplish has a potential interest for every business man.

Before the armistice was signed the colloidal mixture had been tested out successfully at sea. Its individual developers have continued their experiments and tests since then, beyond the existence of the Submarine Defense Association, and have tried the fuel in plants upon land. Until recently, naturally, its tests have been observed and its performances attested principally by officials, but many of these are men of international scientific and business standing. Experts representing the French, British and Italian War Missions and Admiralties, Italian, Australian and Chilean railways, the United States Shipping Board, the Emergency Fleet Corporation, the American and British Shipping Control, the Naval Consulting Board, and many steamer lines and oil, coal and boiler companies have all witnessed performance tests. Today the fuel is entirely ready for commercial use.

The fuel has many unique properties and its already demonstrated effects upon the industrial abilities and resources of the world are important.

Today there is oil, for instance, in North and South America and Europe, eastward, in Persia, on the shores of the Red Sea, in Burmah, Borneo, Sumatra, even the Spice Islands. For all this abundance, however, there is no optimist who really reckons upon the inex-



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man

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SOLID and PNEUMATIC

haustibility of fluid fuels, for the history of oil production is a chronicle of very wasteful spending of the wealth of first one oil field and then another.

In England there are veins of coal that are too lean for use alone. It compares to normal coal something as children suffering from malnutrition do to normal children. In Italy there are lean lignite veins, and the same is true in Sicily. Throughout the world, in fact, there are coals of grade too low for the furnaces. But once made useful they add fabulously to the energy of the world. Colloidal fuel not only brings these under-grades of coal into usefulness and so becomes a true conservator of the world's resources, but it substantially reduces the consumption of fuel oil.

Saving the Oil

IT MAKES possible a conservation of practically fifty per cent of oil as now consumed, for it can be made with coal tars and coal tar residuals and, in its various forms, still fluid, can increase by 100 per cent the world's supply of fuel in liquid form. Crude oil, coke and even peat can be incorporated successfully in the mixture.

Liquid in form, as it may be, it also may be a jelly substance or a thick and unctuous paste. It is represented, in fact, through a whole new series of fuels. One of the series is free-flowing, with sixty-nine per cent of oil and thirty per cent of powdered coal, the enabling *fixateur* in any case being not more than one per cent. Another of the series is approximately forty per cent coal, fifty-nine per cent oil. Another has almost three-quarters coal. Each will move with pressure through pipes, and will atomize readily; and any furnace equipment that provides for oil can be used, without alteration, for colloidal

fuel. Once mixed the solid particles remain suspended for months, and afterwards an occasional stirring is all that is required to give back to the fuel its original combustion properties.

It has the unique property, for a fuel that may be classed as liquid, of being heavier than water. Poured on water into a container, it sinks; water put on the top becomes a seal against combustion without affecting or entering into the composition of the mixture. So sealed and stored, on a ship or in a warehouse, danger from fire and from other accident discounts itself. Left in the sun, it will not destroy itself by spontaneous combustion—as coal dumped out in the sun along tropic sidings will.

Nor, poured out upon the water by the ramming of a vessel or an explosion in one tank, will carry fire nor be the kindling of a fire, because, sinking, it halts disaster. Smokeless, by overfiring it can be made to throw off dense smoke screens, and, combustion finished, what inconsequential ash remains is grainy and as light as pumice.

It is fitted peculiarly for conservation in furnace work—in direct fired, reverberatory, regenerative and crucible furnaces, for brick kilns, for annealing, bolt heading, blacksmithing, brass melting, forging, rivet heading and open hearth furnaces fitted for oil, for quenching and tempering baths, for copper, brass and ceramic works—for the multitudinous furnaces of all industry.

Compact, it is less bulky than coal or oil. It is less expensive, according to the tests of Mr. Bates, for the heat and energy it gives than either coal or oil. Cities' space problems, high rents, coal shortage in homes, all become potentially affected by a fuel less

costly, less bulky in its storage and made up of elements more plentiful either than coal alone or oil alone.

90 Per Cent Commission

THE juiciest get-rich-quick scheme yet unearthed in the money-world, is reported from South Italy by American Red Cross workers. With the current rate at almost ten lire to a dollar, the profits of this simple stroke of high financing figure out at about 90 per cent of the money transferred.

When sums for allotment and insurance began to move overseas for distribution through the Red Cross to the various Italian dependents of American soldiers, somebody who ought to be called Signor Antonio Wallingfordio, started a money-changing business among the South Italian peasants, many of whom can neither read nor write. "Dollar" is merely the American word for lira," obligingly explained Signor Wallingfordio to his eager-eyed clientele. "You, Nonna, have handed me a check for two hundred dollars. In exchange for it, here are two hundred lire for you—a magnificent gift of American generosity. You see, I give two hundred for your check of two hundred, charging you nothing for my services."

The fact is that two hundred lire—or about twenty dollars—is a big sum to an Italian peasant, and America's munificence was loudly applauded throughout the countryside. Presently, however, American Red Cross workers spotted Signor Wallingfordio who, when apprehended, pleaded ignorance of the American dollar's value. The Italian government has given him several years of guarded seclusion, wherein to learn the current rates of exchange.

COAL Winter approaches apace with its demand for more coal in homes and factories. What do the other nations expect our mines to furnish?

By J. D. A. MORROW

Secretary of the National Coal Association

ONE of the outstanding problems of Europe today is the enormous shortage of coal. Europe will mine at least 60,000,000 tons less than she needs. The coal which is wanted is practically all bituminous coal and is needed to run the European railways, develop power for the manufacturing plants, and heat their homes. Our allies in the war are the chief sufferers for want of coal, particularly Italy and France.

The bituminous mines of America this year, up to the date of the strike, had produced approximately 100,000,000 tons less coal than during the same period last year. Thus, at a time of great European need for coal, America has had abundant mining capacity available to supply those needs if the coal could be shipped to Europe. The mutual advantage of such a movement is perfectly plain, but to accomplish this helpful result, problems of credit, of rail transportation, pier and harbor facilities in the United States, and ocean shipping are all involved.

At the conference in Atlantic City leaders of the bituminous coal industry of the United States met with delegates from Italy, France and Belgium to discuss these problems and

to take practical action for their solution. The results of the conference are indicated in the American committee's report, which is as follows:

"The French delegation stated that the total requirements of France would be about 88 million tons per year. During the present winter it seems unlikely that Germany will be able to deliver the coal to France stipulated by the peace treaty. Allowing, however, for the imports that can be obtained from Germany, Belgium and England, more than 22 million tons of coal are now required from the United States. For some years to come several million tons must be imported from America. Members of the French delegation expressed the belief that control of imports and distribution of coal in France by the French Government would be continued for perhaps six months; thereafter it was expected that the business would return to private hands. The committee emphasized the high price of American coal delivered in France, due to high ocean freights. They also spoke of the difficulty of obtaining sufficient vessel tonnage to transport coal.

"The Italian delegation dwelt on the

importance of developing a permanent coal trade between the United States and Italy, and said that Italy would necessarily now look to this nation for several million tons annually. They also pointed out the excessive cost to Italy of present imports of American coal with ocean freight so high and with exchange rates so unfavorable to Italy.

Italy Doing All She Can

"SPEAKING of the scarcity of shipping to transport coal to Italy, the delegates explained that Italy is using some of her own ships and is chartering other ships to carry her coal imports, and is thus helping to bear the burden of transporting coal across the ocean.

"The conference with the Belgian representatives developed the fact that Belgium is now producing nearly 90 per cent of her pre-war coal production. Her chief needs are for coking and other special coals, but with the present prices of American coal so high when delivered in Belgium, on account of ocean freights, no important purchases of coal by Belgium in this market are to be expected.



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"Your committee explained the nature of American coals and the different kinds which are available for export and for use abroad. It mentioned the probability of a strike of bituminous coal miners on November 1st. Your committee felt it necessary to warn European purchasers against the activities of irresponsible speculators in the export coal trade, many of whom have never had any connection with the coal business, and have no expectation of continuing in it, and are offering to sell coals which they can not obtain and deliver. It explained that the tide-water coal pools, conducted by the United States Railroad Administration, prevent the delivery of coal of stipulated character on export contracts when the coal is handled through these pools. This statement developed the fact that European buyers are opposed to accepting pool coal and do so only because they may not be able to obtain what they require outside the pools.

"Credits and financial arrangements were mentioned, but were left to the Committee on Credit and Finance, with the assurance that American coal exporters would do their full part in carrying out any recommendations of the Committee on Credit and Finance.

"The conference developed the unanimous opinion that there is no European demand for anthracite, but that the need is for bituminous coal. It was made clear that, barring a strike, America can produce ample bituminous coal of the qualities and kinds sufficient to supply the needs of our allies in Europe, but that scarcity of ocean shipping and high ocean freight rates are preventing the shipment of the coal required. The further fact was brought out that if our over-

seas coal trade is to be much expanded, better facilities must be provided for export shipments at American coal ports and for discharge at European ports.

"The conferences also developed unanimity of sentiment that the task of supplying our allies with sufficient coal can best be handled through the normal activities of the business men of the nations involved, free from restrictions or interference by their governments.

Determination for the Future

"IN conclusion, your committee desires to express its appreciation of the great and progressive work done by the United States Chamber of Commerce, and pledges itself and the coal industry to use every possible effort to bring to a successful outcome the deliberations of the conference. We also wish to express to the members of the visiting delegations our thanks for the clear and lucid manner in which they brought the necessities of their respective nations before us and the helpful suggestions they made."

Here is the membership of the Coal Committee:

Frank S. Peabody, chairman, chairman Board of Directors, Peabody Coal Company, Chicago, Ill.

J. D. A. Morrow, vice-chairman and sec-

retary, National Coal Association, Washington, D. C.

W. Epsey Albig, assistant secretary, Chamber of Commerce of the United States, New York City.

J. Maury Dove, Washington, D. C.

Thomas F. Farrell, second vice-president, Pocahontas Fuel Company, New York City.

S. P. Hutchinson, president, Westmoreland Coal Company, Philadelphia, Pa.

Samuel Heilner, Percy Heilner & Son, New York City.

Henry S. Lyons, secretary, New England Coal & Coke Company, Boston, Mass.

James P. Walsh, vice-president, Pittsburgh Coal Company, Pittsburgh, Pa.

W. H. Williams, vice-president, The Delaware & Hudson Company, New York, N. Y.

L. M. Burrows, Castner, Curren & Bullitt, New York, N. Y.

A. W. Calloway, Baltimore, Md.

G. H. Caperton, president, New River Coal Company, Charleston, W. Va.

Lindsay McCandish, Hutchinson Coal Company, Philadelphia, Pa.

Rembrandt Peale, Grand Central Terminal, New York, N. Y.

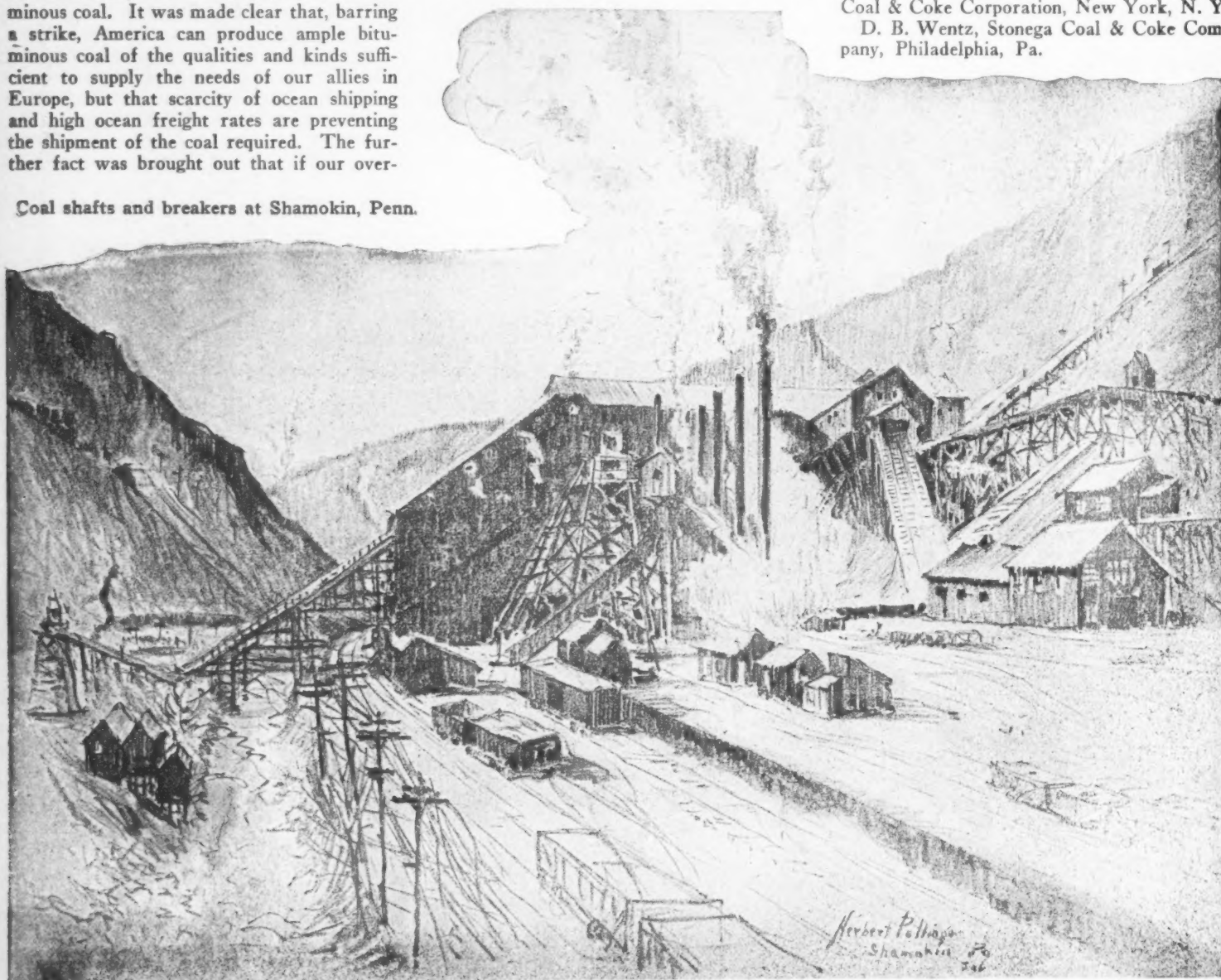
J. A. Renahan, New York, N. Y.

J. J. Tierney, president, Powhatan Coal & Coke Company, Philadelphia, Pa.

T. H. Watkins, president, Pennsylvania Coal & Coke Corporation, New York, N. Y.

D. B. Wentz, Stonega Coal & Coke Company, Philadelphia, Pa.

Coal shafts and breakers at Shamokin, Penn.





"Jason you must tame two brazen-footed, brazen-lunged bulls wrought by Vulcan before you can win the Golden Fleece" quoth Eetes, King of Colchis, to the intrepid leader of the Argonauts. "After taming the fiery bulls you must yoke them to a plow and must plow the sacred earth in the grove of Mars, and

sow some of the dragon's teeth from which Cadmus raised a crop of armed men." How Jason aided by Medea, fair daughter of Eetes "took the bulls by the horns" made their brute strength subservient to his will, harnessed them and plowed the field and won the Golden Fleece, is told by Homer in the Odyssey.

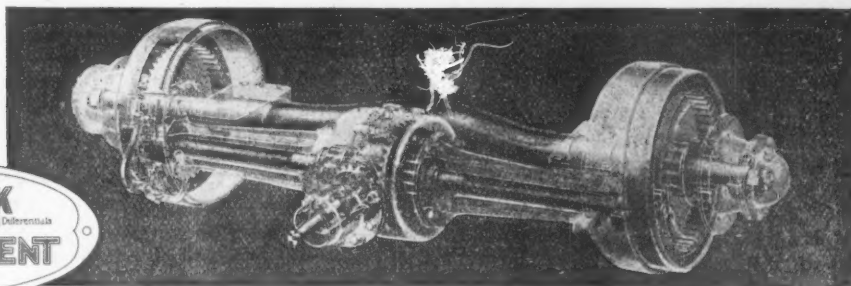
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What Is Needed of Us?

Weakened though they are, the nations of Europe are returning steadily to a peace basis; here are the reconstruction supplies that our Allies want us to furnish

By GEORGE A. O'REILLY

Of the Irving National Bank

VIEWED in the light of the experience of the Committee on Reconstruction Supplies, the International Trade Conference at Atlantic City was highly successful. If there was any disappointment with results, it was confined to those who expected too much, who expected the impossible. Nothing short of a steady diet of miracles would justify the hope that five great nations, all differently situated in a variety of ways, all still more or less disorganized by the war, and all without opportunity for sufficient preliminary discussion, could get together almost without notice and in the period of a few days work out a definite plan which would include most of the money and commerce, and not a little of the international politics of the world.

Such things do not happen in real life. If our guests could have met and talked with us as they did, if they could then take the trip around the United States and see things as they are doing at present, and then go back home and rest up and talk it all over, they might be in a position to do the things which some of our countrymen on the outside of our committee apparently expected.

The difficulty, rather clearly, was the old one of point of view: we do not understand each other yet. We Americans have talked so long and so effectively about having been saved by our allies, individually and collectively, and about the great debt of gratitude we owe them, that they, accepting our own estimate of American sincerity and frankness, quite naturally have come to believe that we mean it all, and, not unreasonably, might be expected to believe also that at last they have discovered that—to the European—strangest of all creatures, a people which insists upon mixing sentiment with business.

And so our committee and our guests found that we could come together at certain important points, but that at others, perhaps equally important, we were still considerably apart. For instance, everybody was convinced of the importance of correcting international exchange difficulties now operating so unfavorably against the interests of Europeans obliged to make purchases in the United States. When, however, the question of a remedy was approached, and naturally discussion frequently assumed this form, we found ourselves thinking about commercial credits which would defer payment until the exchange problem would yield to the influence of natural causes, while our guests

A BIG contract—that of reconstructing a continent! We in this country want to help as we see Europe, after more than four years of war, turn from the production of gunpowder and its accessories to the necessities of peace. What is expected of us and what can we supply? Here is the answer. It was prepared by a group of men equal to their subject. They were: E. W. Rice, Jr., Chairman, President, General Electric Co., Schenectady, N. Y. George A. O'Reilly, Vice-Chairman and Secretary, Irving National Bank, Woolworth Building, New York City. Wm. D. Southwick, Assistant Secretary, Chamber of Commerce of the United States, Otis Bldg., Chicago, Ill. Charles W. Asbury, President, Enterprise Manufacturing Company, Philadelphia, Pa.; President, American Hardware Manufacturers' Association, New York City. Max W. Babb, Vice-President, Allis-Chalmers Manufacturing Company, Milwaukee, Wis. C. S. Brantingham, Emerson, Brantingham Company, Rockford, Ill. J. H. Burton, J. H. Burton & Company, New York City. C. L. Cornell, Vice-President, Niles-Bement-Pond Co., New York City. J. B. Doan, President, American Tool Work Company, Cincinnati, Ohio. Dr. J. T. Duryea, President, Pierce, Butler & Pierce, New York City. Andrew Fletcher, President, American Locomotive Company, New York City. Charles A. Goodman, President, National Hardwood Lumber Association, Chicago, Ill. E. M. Herr, President, Westinghouse Electric & Manufacturing Company, East Pittsburgh, Pa. Charles E. Hildreth, Secretary, National Machine Tool Builders Association, Worcester, Mass. John J. Kaul, Kaul Lumber Co., Birmingham, Ala. Alexander Legge, Vice-President, International Harvester Company, Chicago, Ill. Stephen C. Mason, President, National Association of Manufacturers, Pittsburgh, Pa.; Secretary, McConway & Torley Company. John W. McClure, First Vice-President, National Wholesale Lumber Dealers' Association, Belgrade Lumber Co., Memphis, Tenn. George A. Ranney, President, National Implement & Vehicle Association, Chicago, Ill. W. W. Salmon, President, General Railway Signal Company, Rochester, N. Y. Hamilton Stewart, Vice-President, Harbison Walker Refractories Company, Pittsburgh, Pa. Ernest T. Trigg, Vice-President, John Lucas & Company, Philadelphia, Pa.; President, Federation of Building Industries.

seemed to be thinking about a rehabilitation and strengthening of their exchanges which would be made possible through large money loans from this country.

Other and not less important differences in viewpoints were encountered during our series of conferences with the foreign delegations. But these things need not be taken seriously, assuming reasonable time in which to reconcile the naturally varying points of view which must be reconciled before conclusive action can be expected.

The Fourth Dimension Again

OUR friends from over yonder do not yet fully understand this composite and frequently contradictory creature, the American. But, then, neither do we understand him. We Americans do, unfortunately or otherwise, mix sentiment and business. Because of this it is exceedingly difficult for the foreigner to determine the extent to which he should discount surface indications, and difficult also for us to decide upon a formula in which business and sentiment shall meet in our treatment of the business problems which our friends in Europe have submitted to us.

But in spite of it all, substantial progress was made; we became better acquainted.

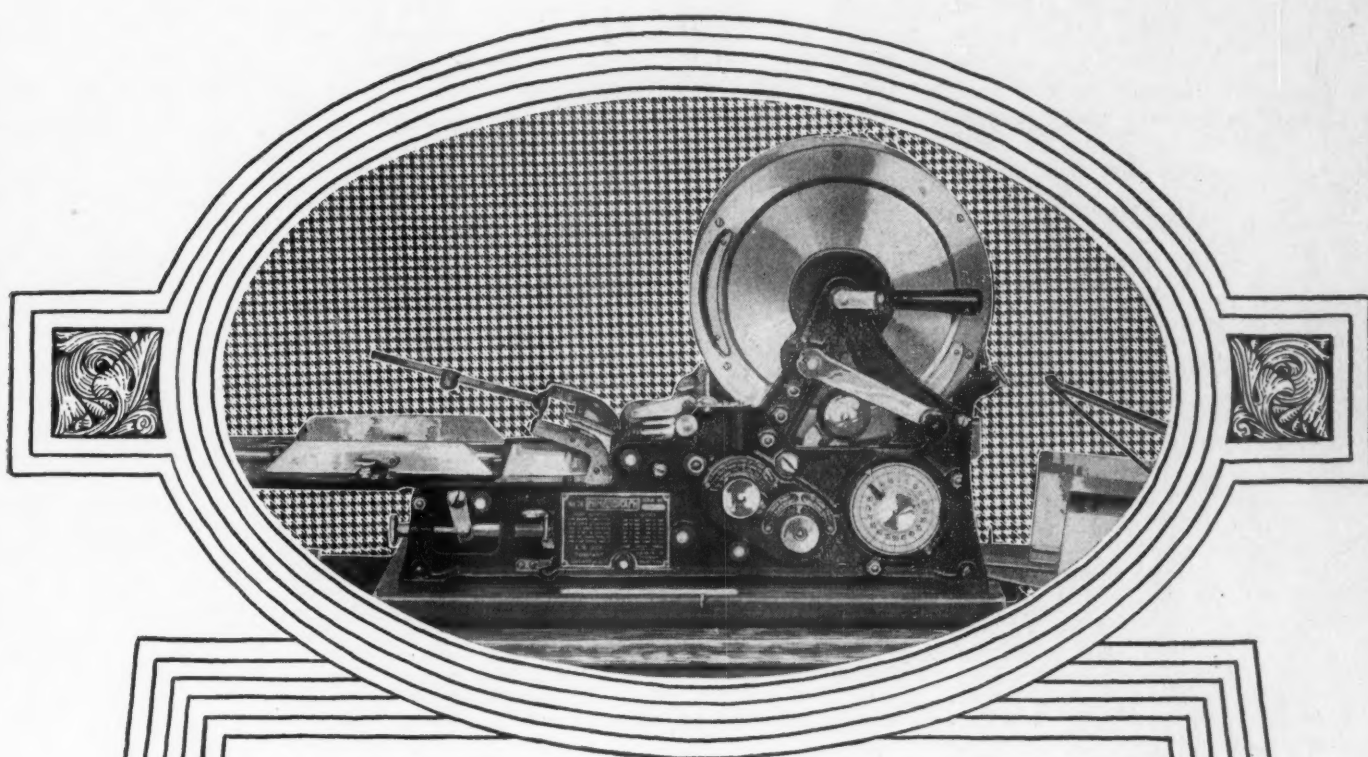
Differing national temperamental characteristics were not allowed to interfere with a mutual understanding of the larger purpose which brought us together. The members of our committee seemed peculiarly appreciative of the American responsibility in this entire situation, whether based upon humanitarian grounds or those of gratitude growing out of a recognition of our responsibility as the great creditor nation of the world. This committee, which incidentally was highly representative of American possibilities in the Reconstruction Supply connection, came fully prepared to talk business with our guests and to talk it on a large and liberal scale. Its members did not seem in the least disposed, either, to shy at suggestions involving terms of credit long enough to cover the apparent needs of the European countries represented.

The results of the conference, then, were satisfactory, quite fully so, and the progress made substantial, considering always the difficulties of time and point of view which naturally were encountered. We got together pleasantly; we learned a great deal concerning the reconstruction needs of Europe and the part Europe expects us to play in this work; we were more fully informed concerning the attitude of the different countries towards each other, and particularly their attitude towards Germany. We secured a high-class outside judgment upon weaknesses existing in our foreign trade situation, prices, deliveries, shipping and exchange. We received most interesting suggestions as to ways in which American inventors and engineers and other expressions of our national skill and genius might aid in European reconstruction in addition to what can be done through loans of money and the extension of commercial credit.

The report of our committee follows:

"In our operations we have tried to stay on our side of the road and to avoid intrusion upon the prerogatives of other committees, but have had difficulty in carrying out this intention. The subject of Reconstruction Supplies is such a broad one, and so intimately related to subjects assigned to other committees, that in spite of the best of intentions we have found ourselves frequently wandering considerably from our assignment, but with great benefit to our purposes and, we trust, without danger to the purposes of other committees.

"The spirit characterizing our sessions was



An autocrat of accuracy! So quick in action is the Mimeograph that the dictation of a moment ago becomes the business-getter of the hour. A perfect glutton for work, an interpreter of ideas, an organization co-ordinator. But its *marked* quality is its *accuracy*. With fine exactness it reproduces letters, maps, diagrams, drawings, forms, bulletins and the like at the amazing rate of five thousand an hour. Hundreds of copies available within a few minutes. In thousands of American industries it is effecting essential economies. What it is doing so well for others it will do equally as well for you. Install it today—for its fine *accuracy* and speed. Or information and catalog “N”—from A. B. Dick Company, Chicago—and New York.



splendid. At no point was there anything which suggested the idea of contest. Expressed in the vernacular, the cards, all of them, were placed upon the table, and the lid was permanently removed. Indeed, these meetings seemed to express much of the best part of the spirit of the war from which we have just emerged, the part which in time of war caused leaders of the armies of different nations to come together and plan war campaigns in the interest of a common cause and which now brings other leaders of the same nations together to plan other campaigns more peaceful, but not less important.

How They Worked

"THE plan of operation of our committee was simple and direct. We endeavored to ascertain from our friends what things they needed and expected from the United States, and in what quantities and at what rate of delivery. We tried to ascertain also what their own immediate possibilities of production are and what things they are prepared to sell to us. We requested them to describe to us their more urgent problems in reconstruction and tried to suggest expedients whereby those problems might be simplified. We tried by various means to reconcile differing points of view which might stand in the way of the carrying out of the intentions expressed in this conference.

"Upon all points raised we found our guests splendidly equipped with information and fully prepared to meet the members of our committee—even the most technical of them—quite upon their own ground.

"Detailed reports upon the progress of our committee already have been provided to the Chamber and we assume will be made available in proper time. For the present purposes and briefly, the following is submitted:

"The Belgians need from us, and principally, first of all, money, then tools, coal, coke, oil, mining machinery, railroad engines and lumber.

"They state that because of the unfavorable rate of exchange and because of our higher prices, expensive freights and slower deliveries they probably will be obliged to purchase in Germany goods which they would much prefer to purchase from us.

"They tell us that the work of reconstruction in Belgium is proceeding rapidly; that their people have gone back to work in an exceedingly gratifying manner; that the present working day has been shortened to eight hours because of pressure from labor syndicates, but the unity efficiency is quite up to the pre-war standard.

"Italy's reconstruction problem is principally agricultural, due to the fact that

about 90 per cent of her people are engaged in agriculture. They need agricultural machinery in considerable quantities, also machinery for ditch-digging and drainage work. They also need assistance in the rebuilding of their fisheries industry.

"Their need in the matter of housing their population is very great and they stress the importance of the employment of American expedients in rapid construction of workmen's houses.

"They need coal, oil and a wide variety of lines, in the providing of which the United States should be able to play a most important part.

"They also need extensive assistance in connection with harbor improvements.

"In general, their needs for our goods are very considerable, and not the least of them is their need of money.

"England, as stated by their Reconstruction Supplies Committee, has no reconstruction problem which they are not fully qualified to take care of themselves.

"The problem of housing British laborers was discussed considerably, but without leaving the impression that we were to have any part in its solution.

"Their committee also discussed most interestingly the labor conditions in England and, in a general way, those existing throughout Europe. The impression was conveyed that the labor problem in Europe, while serious, will be solved, and that the radical elements, though active at present, must in time yield to the recognized power of law and order.

"Reference was made also to the general problem of financing the requirements of the more seriously injured of the European countries, and to the exceedingly important part which the United States naturally will play in this connection.

"The French Committee on Reconstruction Supplies submitted a particularly complete report upon their situation. It presented an interesting and surprising statement of the reconstruction work which has already taken place in France, and tended to show that unemployment is diminishing rapidly, agricultural reconstruction has progressed substantially, the people of the country are going back to work in a most gratifying manner, transportation facilities, such as railroads and canals, destroyed during the war are rapidly approaching their pre-war condition. Immense new public works, transportation, drainage, harbors, etc., are being projected, and, in general, the French situation as regards industry and commerce is far and away in advance of what is rather generally believed in this country to be the case.

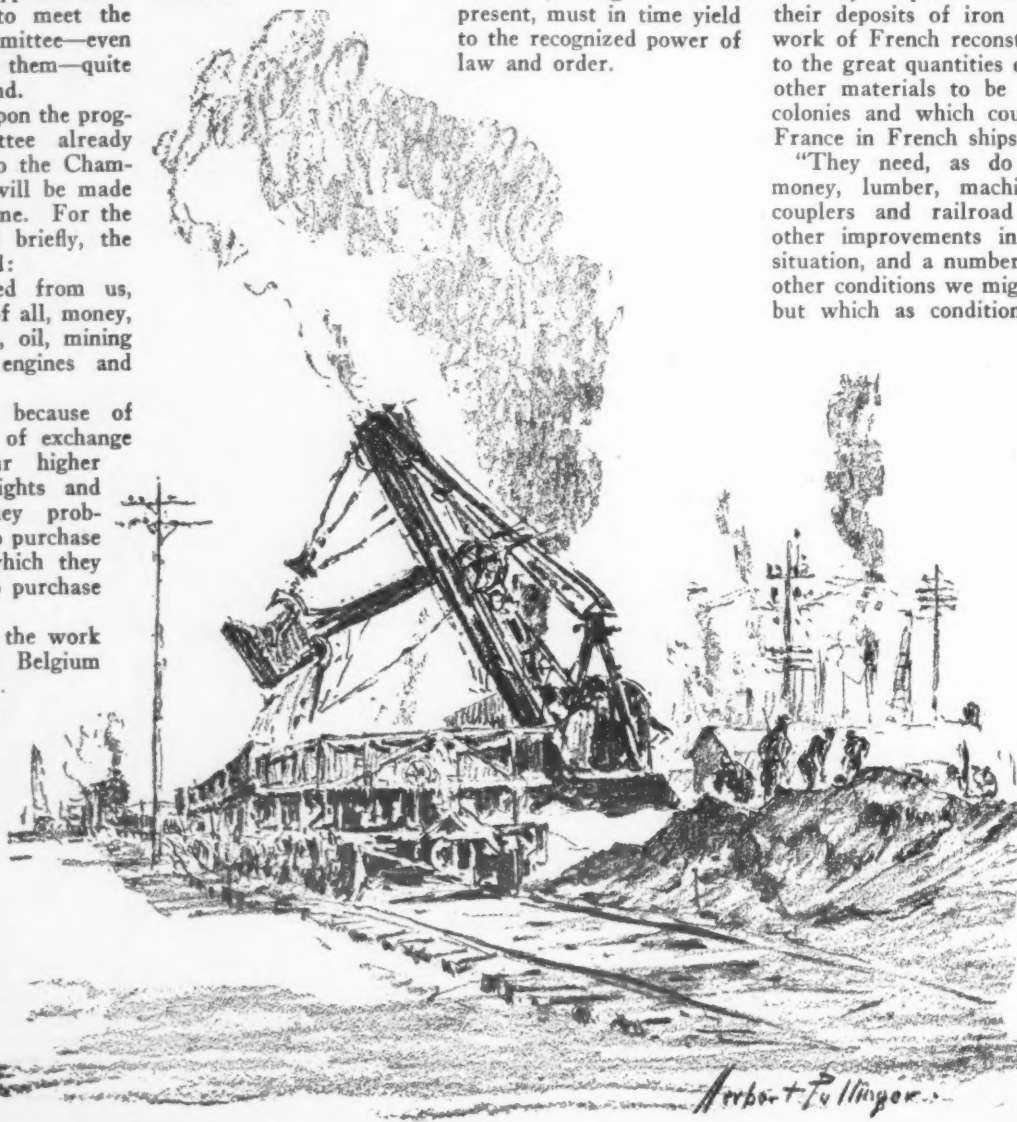
To Buy in the Best Markets

"THE French committee stressed the importance of proceeding along reconstruction lines which will recognize sound economic principles. They propose to buy where the buying is best, and to sell where they can do so with greatest benefit to France.

"They emphasize the importance which their deposits of iron will represent in the work of French reconstruction, and referred to the great quantities of lumber, wheat, and other materials to be found in the French colonies and which could be transported to France in French ships.

"They need, as do Belgium and Italy, money, lumber, machinery, automatic car couplers and railroad signal systems and other improvements in their transportation situation, and a number of lines which under other conditions we might be able to provide, but which as conditions are in most cases would be difficult, and in many cases impossible, to purchase from us, principally because of exchange difficulties and the high cost of transportation.

"Your committee regrets that more time was not available for its purposes. It believes, however, that the information we have is valuable and we are particularly impressed with the importance of the friendly acquaintance and the better understanding which have come to us and which we hope have come to our guests through this first meeting."



TRUCKS THAT FIGHT FOR BUSINESS

The motor truck is more than a carrier.

SERVICE Trucks fight for business.

SERVICE Trucks will aggressively build YOUR business.

This composite endorsement was written by the following SERVICE owners:

W. J. Newman Co.,
Chicago.
A. McGee, Cincinnati.
Advance Transfer Co.,
Kansas City.

THE Motor Truck is an aggressively constructive commercial force. The Motor Truck untiringly fights for business. It can be advantageously adapted to every class of haulage. It opens up new fields of demand. It taps sources of supply quickly and directly. It is a strong offensive against competition. Its speed and capacity, its tremendous strength, and its power of performance, conveys to the public a sense of dependable prestige.

The Service Oil Company, Fairmount, Indiana, started business in March, 1918, with a 1½-ton SERVICE Truck. The uniformly efficient and dependable performance which they secured from their SERVICE Truck, enabled them to fight for business in the face of strongly intrenched competition. Today they operate four SERVICE Trucks and their business has increased from 1500 gallons a day to 12,000 gallons a day.

SERVICE Motor Trucks are so designed and so constructed that in their performance they are delivering constructive, Business Building transportation.

Thousands of manufacturers, jobbers, merchants and farmers have profited by the ability of SERVICE Motor Trucks to *fight* for business. They tell their stories in the following composite paragraph.

"The SERVICE Truck has exceeded our highest expectations. It is taking care of all its loads and grades without difficulty. We have never regretted buying a SERVICE Truck. We recommend them without the slightest hesitation."

These users know what SERVICE performance means. They have experienced the satisfaction of growth in business, with SERVICE Trucks a vital contributing force.

Service

MOTOR TRUCKS

Builders of Business

SERVICE MOTOR TRUCK CO. Wabash, Indiana. U. S. A.

**An answer to
the question of—**

Labor Troubles and Production

The Du Pont Chemical Company offers the Petersburg-Hopewell Industrial District of Virginia to manufacturers of the world as a solution of their big problems of production and distribution

Are These Your Problems?

Are excessive power costs or high wage, tax, water and insurance rates cutting down your profits?

Is your production hampered by adverse labor and housing conditions?

Is your business suffering for lack of cheap and adequate transportation facilities?

Are you without room to expand your plant to take care of the increased demand that's coming?

Would a branch factory located at a place of greater strategic value help to solve your marketing problems?

Do you have to fight a hostile local government to prevent harassing restrictions on your business?

Does it require cheaper power and lower factory costs to make your business a greater success?

Do you need greater financial aid for expansion, or the help of technical and traffic experts to work out your particular problems?

Are you looking for a suitable place to begin a manufacturing business?

How Hopewell Solves Them

Steam and electric power, light, heat and air pressure below standard prices.

Rail and deep water shipping facilities that are unsurpassed in point of service and cost.

Freedom from labor and housing troubles. Houses are plentiful, rent is cheap, and living costs are approximately on a pre-war basis.

Factories are already built and splendid sites for new buildings.

Abundance of purest water for all domestic and industrial purposes at low rates. Best fire protection in the world, with consequent low insurance costs.

Climate never too hot or too cold for out of door work. Health conditions such as to make Hopewell a potential health resort.

Civic environment that makes Hopewell a good place to live and rear a family.

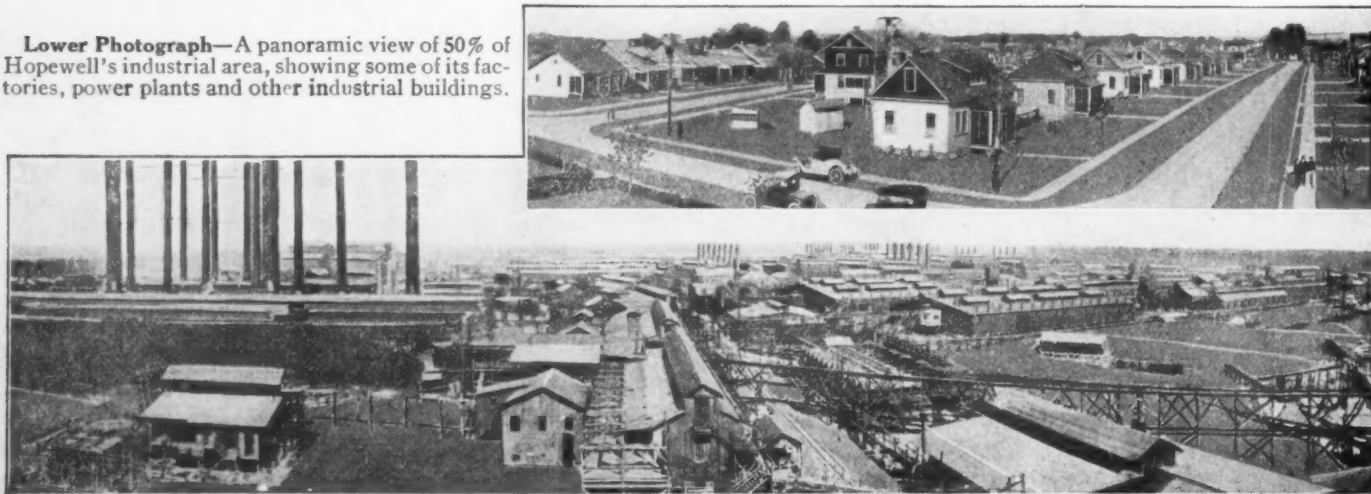
Adequate financial help to take care of legitimate development or expansion and expert technical advisors and industrial engineers to aid in solving your problems.

In short, the essentials to make your business a greater success are at Hopewell.

Hopewell Has No "Housing Problem"

There are hundreds of bungalows, cottages and houses, with lawns and gardens bordering on well-paved streets, as shown in the photograph below. These homes, equipped with all modern conveniences, are ready for immediate occupancy by Hopewell workers.

Lower Photograph—A panoramic view of 50% of Hopewell's industrial area, showing some of its factories, power plants and other industrial buildings.



**An answer to
the question of—**

Factory Costs and Profits

A Tidewater Port

This industrial district is about eighty miles west of Norfolk and twenty-three miles south of Richmond at the junction of the Appomattox and James rivers,—in reality part of Chesapeake Bay.

It is a railway centre with trunk-line connections to all points North, West and South. It is a tidewater port with steamer connections with trans-Atlantic, South American and coastwise ports. Its shipping facilities compare favorably with those of the big port cities.

Factories and Sites

Hopewell was designed for the production of gun cotton on a colossal scale. In less than a year it rose from a quiet little town to an industrial city of over 40,000 population.

Hopewell now presents opportunities to manufacturers unique in history—factory buildings easily adaptable to many kinds of manufacturing—1200 acres available for factory sites with *railway sidings already built*.

Labor and Housing

Labor, both skilled and unskilled, male and female, can be recruited from the surrounding territory to supply all needs. Within the space of a few weeks, the Du Pont Company recruited 30,000 workers. Low living costs have kept and should continue to keep wages at a fair level. Strikes are unknown.

Hopewell has cottages, bungalows, apartments and dormitories sufficient to

NOTE—As its name implies, the Du Pont Chemical Company is not a real estate concern. We have these factories, factory sites and other buildings—a limited number—which we offer for immediate sale *direct* to manufacturers, at attractive terms. We are employing the most powerful and the quickest means of disposing of our peace surplus and of acquainting the public with the opportunities Hopewell offers. It will be a matter of first come first served. Quick action is advisable. Write or wire today for data.

accommodate 12,000 workers. In addition, it has clubs, hotels, churches, schools, commissary operating on a low cost-plus basis, stores, Y. M. C. A., Y. W. C. A., and all the public utilities and civic improvements that constitute a modern city.

Power and Water

Hopewell has three gigantic and modern power plants; a total capacity of 60,000 h.p., ready to supply manufacturers with steam, electricity, heat, light and air pressure in any quantity at a surprisingly low cost.

Water of hygienic purity is drawn from filtration plants with a daily capacity of 50,000,000 gallons—more than enough to supply a city of 500,000.

Raw Materials and Fuel

The Pocahontas and New River coal fields, which produce the best steam coal in the world, lie within a short hauling

distance and assure a constant supply of low priced fuel.

Hopewell is in the centre of a region rich in natural resources. Within a radius of fifty miles are produced annually 555,000,000 feet of timber available for lumber or for pulp and paper making; 25,000,000 pounds of tobacco, 3,000,000 bushels of corn, 2,000,000 bushels of peanut and other crops valued at over \$5,000,000. Each of these products offers opportunities to manufacturers.

A Good Place To Live

Hopewell's climatic and general health conditions are unsurpassed. It is a city without a "housing problem"; a city where profiteering is unknown; a city where, compared with some cities, the workers' fifty cents buys a dollar's worth of goods; a city where living ceases to be a losing struggle. In brief, Hopewell is a city where the average man would like to live and rear his children.

Write or Wire Us

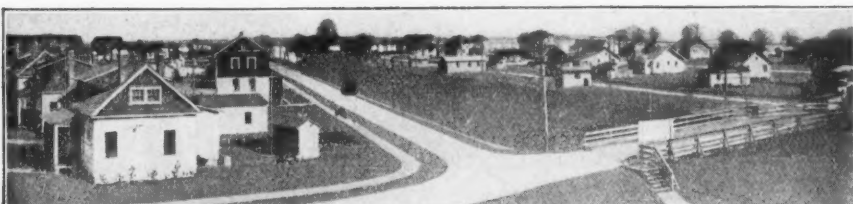
Our experts—Technical, Industrial, Traffic—will gladly study your specific requirements, investigate your problems of raw materials, manufacturing processes, transportation, and give you an unbiased report as to the adaptability of Hopewell (plant sites, present available equipment, raw materials, etc.) to your special needs. This service is free. It may lead to the solution of your problems. Get in touch with us promptly.

Du Pont Chemical Company

Incorporated

Wilmington, Delaware

Petersburg Chamber of Commerce, Petersburg, Va.



A Deep Water Wharf



The Cupboard Isn't Bare

Demands for food from the United States did not cease with the armistice; there is still a world need and the American farmer again proves equal to the emergency

By VERNON KELLOGG

Secretary of the National Research Council.

THE Committee on Foodstuffs at the International Trade Conference was distinguished both by the wide geographical range and by the wide range of food interests represented by its attending members. There were representative foodstuffs men from the Pacific Coast, the Northwest, the Middle West, the South and the Atlantic region. And there were men who represented grain and meats and fish, milk and butter and cheese, canned and dried fruits and vegetables, edible oils and eggs.

They represented all of the food staples and some of the food luxuries. No suggestion of food needs nor inquiry concerning the possibilities of supplying these needs was made by any of the foreign delegates that did not secure a prompt and clarifying answer from some one wholly competent to speak, and competent even to back up this answer by positive action.

Out of the questions and answers and the general statements and detailed lists presented by the foreign delegates the important fact was clearly developed that America has on hand, or will have during the period of the present harvest year, sufficient food natural to our production to be able to supply the actual needs of the European countries represented at the conference, and still retain a fully adequate amount for home consumption. Sugar is the one exception, but we do not ever produce sugar to export. Our sugar exportations go from our refineries, not from our cane and beet fields, and these refineries rely on outside sources for much of their raw supply.

All this makes for smooth sailing and looks like assured European food safety and equally assured good American food business. But there are rocks in the way. The most difficult to get around are golden ones.

Exchange Again

WITH one accord all of the foreign delegates declared that because of the disadvantage of the rates of exchange and the difficult financial situation of the foreign buyers, some arrangement for long-term credits by the American food sellers was absolutely necessary. It was right here that the Committee on Foodstuffs revealed another condition that distinguished it. It revealed a state of comprehension and sympathy.

Not in perfunctory or abstract phrases, but in heart-felt and concrete declarations, the foodstuffs men of America made the delegates of these countries associated with us in a successful struggle for liberty and right realize that the sudden ending of the war did not mean as sudden an ending of America's help to her associates in overcoming the misfortunes of war. There was deep feeling manifested by the American listeners as the Belgians, French, Italian, and British delegates told the story of their past struggles and present situation as regards food, and

this feeling became translated into such assurances as will go far to save the European situation and further cement the international friendship between us and our associates.

This is the formal report of our committee:

"The special Committee on Foodstuffs, with twenty-four attending members out of twenty-seven appointed, representing in their interests a wide variety of American nature foods and prepared products, and coming from all over the country from the Pacific to the Atlantic Coast, has held meetings with the appointed representatives of each of the foreign missions.

All Angles Covered

"AT these meetings the food situation, at the present and for the coming year, of Belgium, France, Italy and Great Britain, and the disastrous results on each of these countries of the food conditions, especially in the way of lessened production and restricted importations produced by war, and the efforts being made in each country to meet and remedy these conditions by controlled food use and stimulation of production, together with detailed statistical statements of the food importations needed by each of these countries during the period until the harvests of 1920, especially the needed importations from the United States, have all been presented and fully discussed.

"From the lists made by the foreign representatives of their needs of food importation from America and the statements made in the discussions of these lists by the American committee members, representing the production and handling of all these various foodstuffs desired by the European countries, it is apparent that there exists, or will be produced during the period noted, a sufficient American surplus to provide practically all the foodstuffs listed, or the quantities asked for.

"But it is also apparent that the governments and buyers of the foreign countries are faced with certain serious difficulties in the financing of their purchases from the United States, the chief of which is the matter of the exchange rates, which at present are greatly to the disadvantage of the foreign purchasers.

"The principal remedies suggested for meeting this major difficulty were two. One, especially made by the foreign representatives, is the extension of long-term credits by American sellers to the European purchasers. The other, especially made by the American committee members, is the high desirability of increased exportation from the foreign countries to America of any and all of their own special products suitable for the American trade. A most sympathetic attitude toward both of these matters was exhibited by the committee members, and various practical suggestions were made by

gentlemen of the committee looking toward the realization of these remedies.

"In connection with the matter of increasing the American use of the special food products which could be provided by the European countries, it was especially suggested that the foreign sellers would attempt a wider and more general distribution of their products in America, and in particular should arrange to avail themselves of the already existing American trade organizations and domestic system for exploitation and distribution. It was stated by various gentlemen of the committee, representing certain large American food trades, that there undoubtedly exist great possibilities in the way of extending in this country, particularly at present, the use of many high-grade special food products of the European countries represented at the conference.

"In connection with the matter of the need for special temporary credit arrangements for the European purchasers, the committee, being particularly impressed by the peculiar needs of the countries associated with us in the war for the importation from the United States of large quantities of cereals, both for human consumption and for the rehabilitation of their national herds, suggests to the Executive Committee that sympathetic consideration be given to the idea of making recommendations to the President in this matter.

For Special Arrangements

"IT may be appropriate to suggest that as a matter both of wise public policy and of an extension of our humanitarian efforts in behalf of our stricken associates in war, efforts which cannot entirely cease with the ending of the war if our voluntarily accepted obligations to our associates are to be fully met, the President should exercise his authority under the Food Control Act to the end of making special arrangements to provide these needed cereals in such quantities and on such terms of credit as may seem to him wise and safe.

"It is fully realized by your Committee on Foodstuffs that the matter of finance and credit is the particular province of a special committee on those matters. But the conferences of the Foodstuffs Committee with the foreign missions have developed so clearly the fact that the only serious difficulty, both in the full meeting of the absolute food needs of our associates in war and in the development of a desirable foreign market for the American food supplies created by the stimulated production due to the war situation, and of any surplus that may be continued to be created, is that of a satisfactory arrangement for a temporary unusually sympathetic treatment of the foreign buyers as regards finance and credit, that your committee is constrained to make as a special recommendation to you the high desirability of a

"COMPARE THE WORK"

Mr. Baxter

Office Manager

My report of the "Royal" operating test follows:

1. In addition to straight office work, I have for the past week taken direct machine dictation for at least an hour daily - and the "Royal" has not jammed or skipped spaces. This speaks more for speed than any time trial.
2. On specification work, the sixth carbon has been uniformly good. The typebars snap against the paper very sharply, so that the impression is clear-cut.
3. A friend of mine in an insurance company tells me they have two hundred "Royals" in continuous service, and their durability has ended the old "trading out" troubles.

My judgment is decidedly in favor of standardizing "Royals" and this is confirmed by



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Photo by Robert H. Moulton

From Florida to Washington the silos on American farms stand like armed turrets against the hosts of famine. Here is a farmer getting in his fall ammunition. Our corn crop

for this year is estimated at 2,900,511,000 bushels. Much of it will go to the tables of Europe in the form of steaks and hams. And there is going to be enough for everybody.

strong effort to effect such an arrangement.

"Your committee has been strongly impressed by the great mutual advantage that can accrue to America and to the European countries by a continuation of such conferences as the present, and strongly recommends that some form of permanent international organization be effected which will insure this continuation.

"In concluding this brief report, your committee wishes to express through you to the foreign missions its appreciation of their full and frank statements regarding the food situation in their respective countries, and the pleasure of the members of the committee in having had the opportunity of an enlightening personal contact with the distinguished representatives of those countries are to be held in especially sympathetic memory by us as having been associated with our country in the successful prosecution of a righteous war for liberty and humanity."

The personnel of the Committee on Food-stuffs included:

Theodore F. Whitmarsh, chairman, vice-president Francis H. Leggett & Company, New York City.

Dr. Vernon Kellogg, vice-chairman, secretary of the National Research Council, Washington, D. C.

Adolph Boldt, assistant secretary, Chamber of Commerce of the United States, Chicago, Illinois.

George A. Amendt, the Amendt Milling Company, Monroe, Mich.

Julius H. Barnes, president, Food Administration Grain Corporation.

C. H. Bentley, vice-president, California Packing Corporation, San Francisco, Calif.

L. R. Bishop, secretary, Rice Association of California, San Francisco, Calif.

Christian Breisch, president, Michigan Bean Association, Lansing, Mich.

W. F. Burrows, Libby, McNeil & Libby, Chicago, Ill.

H. A. N. Daily, president, National Canned Foods and Dried Fruit Brokers' Association, Philadelphia, Pa.

E. B. Deming, Pacific-American Fisheries, South Bellingham, Wash.

E. E. Doty, president, New York State Bean Shippers' Association, Rochester, N. Y.

Edward Frank Flash, Jr., president, New York Produce Exchange, New York City.

J. A. Hawkinson, president, Allied Packers, Inc., Chicago, Ill.

George S. Jackson, vice-president, Food Administration Grain Corporation, Baltimore, Md.

Julius D. Mahr, New York Mercantile Exchange, New York City.

O. J. Moore, Sioux City, Iowa.

S. T. Morgan, president, Southern Cotton Oil Company, New York City.

J. F. Niswander, vice-president, California Peach Growers' Association, Fresno, Calif.

W. T. Nordin, American Milk Products Corporation, New York City.

L. A. Sears, W. R. Roach & Company, Grand Rapids, Mich.

V. D. Skipworth, vice-president, Wilson & Company, New York City.

Henry Stuart, Richmond, Va.

W. F. Sweet, president, Rumford Chemical Works, American Specialty Mfgs. Association, Providence, R. I.

G. F. Swift, Jr., Swift & Company, Chicago, Ill.

Holgate Thomas, California Raisin Co., Fresno, Calif.

F. Edson White, Armour & Company, Chicago, Ill.

Ahoy, Scandinavia!

THE war switched world-traffic from the Baltic and Mediterranean routes to the Scandinavian thoroughfare. Bergen, Christiania, Stockholm, Copenhagen, became highly important way-stations. Yet some trade today is already seeking other routes because Scandinavia has not taken advantage of the facilities offered her for development.

The Balkans, of course, are still unscrambled and Central Europe decidedly uncertain. England has her own troubles. So in the main "via Norway and Sweden," remains the logical route. This should be a spur to the Scandinavian countries, especially as their productive future is rosy and they also need imports.

In his own handwriting-

BOHEMIAN CLUB,
SAN FRANCISCO.

July 24-19-

My Dear Mr. Waterman

I thank you for the kind expressions in your recent letter - concerning the completion of my fifty-six years of active service on the American Stage. You are pleased to say that you are indebted to me - for a modicum of the pleasure you have derived from the theatre - but - while deeply appreciative - I feel that the indebtedness is mine - for I am acknowledging your letter - with my constant - never-failing Companion - that came to me so many years ago in London - my Waterman Ideal Fountain Pen - I have found it always reliable -



Wm H. Crane

The Dean of the American Stage gives a leading part to

**Waterman's
Ideal
Fountain Pen**

In the play of life entitled
"Writing Right & Righting Wrong"



L.E. Waterman Company
191 Broadway - New York
BOSTON - CHICAGO - SAN FRANCISCO

Always "ready & willing" - never out of order - & positively indispensable - when properly directed - it has been ever faithful in writing right - and I hope it was used at Versailles - in righting wrong - Again thanking you & with all good wishes

Sincerely

Wm H. Crane

Little Stories of the Nation's Business

High lights in the swiftly moving drama of American Business finding itself after the shock of peace

Foreign

A POLISH NATIONAL BANK has been formed with a capital of \$20,000,000. The new bank will acquire the assets of the Bank of Russia in Poland and of the Polish Loan Bank and the proceeds from the liquidation of the Austro-Hungarian Bank and the amounts owed by the Reichsbank.

The Stockholm press is commenting upon the increasing imports from Germany into Sweden. In spite of the fact that Sweden is a large manufacturer of chinaware and porcelains, German chinaware is finding a market in Sweden and frequent shipments of German toys have also been received.

There has been a serious shortage of cigarettes and tobacco in Italy owing to the inability of the Government, which has a monopoly of this business, to keep up with the demand. To relieve the situation a certain make of American cigarettes have appeared on the market and are retailing at 1.60 lire for a package of 20 cigarettes.

Japanese whaling firms are endeavoring to create a permanent market, both at home and abroad, for whale meat as a substitute for beef. In 1918, there were 1,900 whales caught by five largest whaling companies in Japan.

In additional 500,000 standard costumes and coat suits for women may be produced in England under the existing voluntary standard clothing scheme. Two million yards of material are available for manufacture. The fixed selling price for coat suits is \$16.68.

A Czecho-Slovak commission has arrived in Berlin to make arrangements for the resumption of trade relations between Czecho-Slovakia and Germany.

Six German experts in dyes, tars and chemicals have arrived at Versailles to superintend and verify delivery of a shipment of these goods to France.

The opening of an organized prohibition campaign was held in Liverpool the first week in October. Conferences were held and many American lecturers were heard.

Nearly 1,000,000 pounds of wool will be shipped from Saskatchewan this year, as against 700,000 for last year.

While before the war the commerce between Japan and the Argentine Republic hardly reached \$250,000 annually, last year it exceeded \$15,000,000.

Swedish firms have received from Germany offers of unlimited amounts of potash, bricks, chloride of lime, and incandescent lamps at prices far below current market quotations.

Automobiles used by the German army are offered for sale at prices ranging from 20,000 to 40,000 German marks. The German government is said to have granted export licenses for 150,000 of these machines.

French newspapers indicate that as soon as the end of the state of war is officially declared, in spite of the feeling which exists against the former enemies of France, commercial relations between France and Germany will at once develop on a large scale.

THE importance of these paragraphs is of inverse ratio to their length. They are culled from the business news of the month, and are boiled down to the very bone to make quick and easy reading. Among them are facts that can be applied directly to the opportunities and problems of your business.—The Editor.

Constantinople advices state that the Porte in negotiating with an English group of financiers for a loan of 8,000,000 pounds Turkish, the Crown jewels to be pledged as security.

The French Ministry of Commerce and the Dublin Chamber of Commerce are co-operating to develop direct trade between France and Ireland.

Millions of ducks are killed annually in China, to supply the feather industry. In 1917, the exports of this article amounted to 7,083,333 pounds.

In reply to the report that certain repatriated Germans would return to China as Danish subjects, the consul general for Denmark at Shanghai says that this is very improbable, as permanent residence in Denmark for 15 years is required to become a Danish subject.

The British Treasury has sanctioned a loan of \$30,000,000 to Finland on the understanding that the proceeds will be expended in the purchase of goods in the United Kingdom.

To relieve the shortage of houses in Berlin, dwelling authorities have planned the erection of 5,500 permanent residences.

Japanese imports to India are practically one-fifth of India's total import trade.

The Board of Trade of New South Wales, has decided to increase its living wage from 60 shillings to 77 shillings and six pence per week, thereby increasing the annual expenditure of the Dominion by 6,500,000 pounds.

France will carry out the American scheme to build a modern port at Gironde, where work begun by the Americans ceased in November 1918, owing to the armistice.

The British navy will be reduced to 50,000 as soon as the United States ratifies the Peace Treaty.

Approximately 1,000,000 acres of free lands in Western Canadian provinces have been taken up by returned soldiers in the past year.

The Japanese government is preparing to appropriate the equivalent of \$125,000,000 for the development of aviation, the amount to be expended over four or five years.

Large petroleum deposits have been discovered in the State of Coahuila, according to advices from Mexico City, which geologists declare may make that State the richest in Mexico.

Economic negotiations between Luxembourg and Belgium have been broken off by Belgium, as a result of the referendum in Luxembourg under which France became Luxembourg's financial ally. The Belgian Minister in Luxembourg has been recalled.

Americans emigrating to Canada in the first 8 months of 1919, numbered 38,222, an increase of 7,000 over the same period in 1918.

The Argentine Republic is extending \$200,000,000 on a two-year credit at five and one-half per cent to England, France and Italy for the purchase of food products.

The British War Office has realized \$350,000 on its exploitation of British official war films.

The British government has already realized \$812,500,000 by the sale of war stores which it had on hand when peace was declared. Hundreds of motor trucks have been marketed at prices frequently in excess of the price originally paid for them owing to the scarcity of cars.

Finance

THE Bureau of International Revenue has issued a statement showing the effort on the part of the law makers to distribute the tax levy equitably. The statement shows that four persons in the United States received in 1917, a net income of \$5,000,000 and over. There were 311,525 persons filing returns of taxable income of from \$2,000 to \$2,500. More returns of taxable income of from \$3,000 to \$4,000 were received than in any other class. The total income from the returns was \$1,225,167,248 and the average tax was \$27.50.

The Government has received more than \$1,107,000,000 through the sales of Thrift Stamps, War Savings Stamps and Treasury Savings Certificates, in the 22 months they have been available for purchase by the public.

By virtue of the recognition of their title by Spain in 1540, the Papago Indians are suing the United States Government for the recovery of 3,000,000 acres of land in Arizona, valued at \$300,000,000.

The British and French Governments have begun negotiations for the flotation of loans aggregating \$250,000,000 in the United States this autumn. Great Britain needs \$134,000,000 to meet maturing notes and desires \$16,000,000 more.

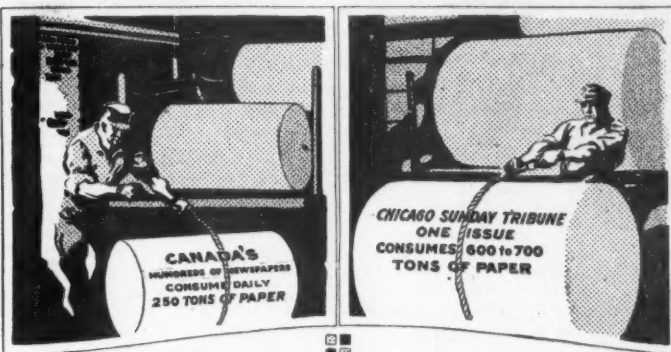
R. G. Dun & Company reports 4,586 failures involving \$88,941,608 in the nine months ending September 30, compared with 8,069 failures involving \$122,975,024 in the corresponding period for 1918.

Credits opened by Canada for the purchase of Canadian goods by foreign countries aggregate \$106,003,391, comprising \$25,000,000 each to France, Belgium, Greece and Roumania, with the balance to Italy.

A comparative table published in London shows the pound sterling at a premium in France, Belgium, Germany, Italy, Norway, Denmark and Brazil and a discount in the United States, Holland, Sweden, Spain, Switzerland, Canada and Argentina.

H. P. Davison, chairman of the War Council of the Red Cross has issued a report in which he states that during the war the American Red Cross received \$400,000,000 in contributions and spent \$273,000,000 in relief work.

The total newsprint consumption of Canada with its hundreds of newspapers is two hundred and fifty (250) tons per day, according to the Canadian Export Paper Company.



Six hundred (600) to seven hundred (700) tons of paper are consumed in printing each issue of The Chicago Sunday Tribune — The World's Greatest Newspaper.

The Weight of Space in The Chicago Tribune

Tangible Weight

Advertising "space" in The Chicago Tribune is not ethereal nor unsubstantial; it is not blue sky; it is not a mere by-product to be sold for what it will bring. It is a definite manufactured commodity that can be weighed and measured like steel ingots.

You may rent "space" in a building and secure nothing but temporary use of property which continues thereafter in the possession of the owner. But when you buy "space" in The Chicago Tribune a certain amount of property is devoted in perpetuity to your exclusive use.

A single page ad in The Chicago Sunday Tribune necessitates the use of more than ELEVEN THOUSAND (11,000) POUNDS of paper, and one hundred and sixty (160) pounds of ink. The Chicago Tribune takes these FIVE AND ONE-HALF TONS of material and prints thereon for you SEVEN HUNDRED THOUSAND (700,000) copies of your message.

It binds your message closely with the news, local, national and foreign—news events only a few hours old—news for which every thinking man and woman, every advertising prospect, within hundreds of miles of Chicago is eagerly waiting. Under tremendous pressure of time, with the assistance of hundreds of highly paid experts and expensive machinery, The Chicago Tribune prints and distributes your message between sunset and sunrise throughout the most desirable market in the world.

The mere bulk raw material which The Tribune uses in preparing your ad is worth hundreds of dollars as it lies inert in the warehouse. Tribune advertising is a manufactured commodity and Tribune advertising rates are based on cost of manufacture, but the value of Tribune advertising is quite beyond calculation.

Intangible Weight

The magic of the printing press and the prestige of The

World's Greatest Newspaper transmute your advertising copy into an influence of incredible power. Through Chicago Tribune advertising you have the privilege of sending a message within twenty-four hours into one-fifth of all the homes in the five great states of Illinois, Indiana, Iowa, Michigan and Wisconsin. Through The Chicago Tribune you can talk to hundreds of thousands of people any morning and every morning through a medium for which they gladly pay more than they pay for anything else they read.

Professor William F. Ogburn of Columbia University, testifying recently before a federal judge, stated that the average family of \$2,500 or less annual income spends \$8.85 to \$12.98 a year for newspapers and 43 cents to \$1.62 a year for magazines. But the average Chicago Tribune family spends at least \$10.00 a year for the Tribune alone.

A certain manufacturer bought a double page ad in The Chicago Tribune. The replies immediately received threatened so far to overtax the utmost capacity of his plant that he took them to the largest bank in Chicago. This showing was a big factor in inducing the bank to ADVANCE ENOUGH MONEY TO ENABLE HIM TO SECURE A BIG, NEW FACTORY.

In short, the actual tangible weight of Chicago Tribune advertising space in pounds and tons is enormous, but it is insignificant compared with the intangible weight, the weight which a message through The Chicago Tribune has in the minds of Chicago Tribune readers.

Tangible Circulation

Chicago Tribune Circulation has been subjected to most minute analysis so that every advertiser may know just where each ounce of his five tons of paper stock goes. A forty-four page book has been prepared to show Chicago Tribune circulation from every angle. It contains practically no text, but is a solid mass of statistics and maps. Probably no such comprehensive picture of the circulation of a great newspaper has ever been published before.

Chicago Tribune circulation, Daily and Sunday, in every one of SEVERAL THOUSAND towns is listed. This circulation is then shown by counties, by states and by zones. It is listed in detailed tabulations and pictured on maps.

People call The Chicago Tribune "The World's Greatest Newspaper." The advertising department of The Tribune is striving to live up to this name by selling advertising on the highest ethical basis of unlimited, accurate information, and efficient, ungrudging service.

This booklet, "Tangible Circulation," proves that Chicago Tribune advertising is worth every cent The Tribune asks for it.

Write on your business stationery for TANGIBLE CIRCULATION

The Chicago Tribune

THE WORLD'S GREATEST NEWSPAPER

Circulation Now in Excess of 400,000 Daily and 700,000 Sunday

An investment banker of Chicago, says that America has 20,000 new millionaires as the result of the prosperity superinduced by the war.

Dr. Royal Meeker, chief of the Bureau of Labor Statistics, gives \$2,262.47 as the minimum salary necessary to cover the living expenses of a Government clerk with a family of four.

Shipping

DURING the 12 months ended September 30, 1919, the output of American shipyards was 2,386 vessels of 4,258,058 gross tons, as shown by the returns of the number and gross tonnage of vessels officially numbered by the Commerce Department, Bureau of Navigation, and including a small output for foreign flags. The output, however, represents almost wholly appropriations by Congress for the Shipping Board.

Twenty Scotch marine boilers have been shipped out by a Portland, Ore., company, 12 of which will go to Shanghai.

The British Ministry of Shipping has to transfer to Canadian registration all Canadian owned ships now under British registration.

The Royal Holland Lloyd has been informed through diplomatic channels that it will not be permitted to keep the two 20,000-ton triple screw liners which it claims to have purchased from Germany in 1916.

The chairman of the Shipping Board announces that there is to be no change in the price at which vessels of the Shipping Board are being held and none is contemplated. Wood ships are being held at \$90 per deadweight ton and new steel freighters at a price which ranges from \$210 for the smaller type to \$225 for the larger vessels. No immediate sale of passenger steamships is contemplated. The United States Merchant Marine under control of the Shipping Board now comprises 1,468 vessels aggregating 8,109,058 deadweight tons.

A direct passenger service to South America will be inaugurated by the Pacific Steam Navigation Company.

Overseas Trade

STATISTICS of freight imports and exports for the year ending August 31, issued by the Department of Commerce, show that the year's commerce exceeded that of last year by more than \$1,500,000,000, while the balance of trade in favor of the United States was more than \$1,000,000,000 larger.

American exports of Automobiles have increased to the point where during the past year one automobile was exported from the United States on an average of every nine minutes, day and night.

Japan will use 1,000,000 bales of American cotton this year.

A manufacturing firm in Berlin is experimenting with importations of American coal. The first shipload left Hampton Roads last month and others are to follow.

Raw materials valued at \$1,500,000, consisting largely of furs and hides, have arrived from Siberia, while \$10,000,000 worth of goods are stored at Vladivostok, awaiting shipment to Great Britain and the United States.

The British Ministry of Munitions is ship-

ping 4,000 bales of Australian and 10,000 bales of New Zealand wool.

Potash produced in Utah is to be exported to Japan in preference to the German product.

France needs 22,000,000 tons of coal from the United States in 1920. She also wants \$145,000,000 worth of foodstuffs, 1,000,000 tons of wheat being one item. Italy wants \$800,000,000 of everything, coal in particular. Belgium wants \$100,000,000 in money.

During September the exports of cotton to Germany were 27,200 bales, making a total for August and September of 48,947 bales. We also shipped 9817 bales to Austria during September. During that month Belgium took 22,731 bales; the Netherlands, most of which was probably for Germany, 45,700 bales.

Agriculture

THE first time that the airplane has been used in connection with crop reporting was in April, of this year, when Ohio Agent, J. L. Cochran, made a survey of the progress of spring plowing in Montgomery County, Ohio, from the air. A fairly good conception of spring work was obtained as well as the proportion of the total acreage that was under cultivation.

The consumption of tobacco in Japan has been increasing greatly each year. The total value of the product manufactured in the last year was estimated at \$65,294,793.

The rice situation in Southeast Asia is again becoming serious, and unless there is an end to exports there will be serious difficulty in securing supplies to meet the needs of the population of South China itself.

It is reported that the fig market will be affected this year by the burning of a large part of the city of Aidin, Smyrna and the surrounding villages, which are in the center of the principal fig-producing region in Greece. A large part of the crop has been lost and prices will be affected accordingly.

Thousands of American families who planted gardens as a war measure have now acquired the habit and are growing gardens as a peace measure.

Effective immediately, the United States Department of Agriculture will handle all wheat appeals from licensed inspectors' grades on intrastate as well as interstate transactions.

Seed wheat may be imported from Canada, provided an import license is obtained from the United States Wheat Director. There is no import duty on this commodity. There is no embargo on the importation of seed oats from Canada, but there is a duty of six cents a bushel, which is the same as that on the importation of oats for any other purpose.

Shortage of sugar-beet seed in the United States for 1921 plantings will be serious unless the beet sugar companies and seed growers arrange immediately for the production of a large part of their requirements for that year.

The contract price for sugar beets this year is \$10 a ton, with some local exceptions. In some States the growers will be paid an additional price of \$1 a ton for each cent in the average price of sugar in New York above 9 cents during the four months beginning October 1.

Industry

BY the plan of a Philadelphia manufacturing company, the workman's compensation law, which protects employees against industrial accidents, is supplemented for ordinary accidents and disease all of the 24 hours of the day.

Twenty-two companies with an authorized capital of \$50,000 or greater were organized during September for the manufacture and distribution of chemicals, drugs and dyes, involving a total authorized capitalization of \$6,100,000.

Statistics compiled by a Boston banking firm show that consumption of candy and chocolate in the United States is from 1,100,000 to 1,400,000,000 pounds a year. It is also estimated that the American people are now spending at retail prices \$800,000,000 a year for candy.

A total of \$1,200,000 worth of furs changed hands at the autumn fur sale in New York, October 7. This is said to establish a record for a single day's sales, and has brought the grand total since the auction up to \$2,200,000.

The Seaboard Air Line Railway will convert 250 of its coal burning locomotives into oil burners, effecting an annual saving of approximately \$100,000 on its fuel bill.

The Aerial Mail Service made a non-stop flight from Cleveland to Jersey City, a distance of 415 miles, with alcohol fuel. The distance was covered in three hours and 26 minutes at a rate of 120.6 miles an hour. The purpose of the tests was to determine how much more mileage it was possible to get out of alcohol as compared with high test gasoline.

The War Department has announced that General Hospital No. 3, at Colonia, N. J., will be sold November 22, on sealed proposals. This property includes 100 buildings, a total floor space of 458,370 square feet.

All Boston shoe factories are severely congested with business and satisfactory shipments are not expected for a month or more. The Shoemakers' Federation has declared a five-day week, which forces plants to be idle 52 working days a year, causing a reduced production of approximately 3,000,000 pairs of shoes a year.

Two-fifths of the Government's \$25,000,000 store of silk cartridge cloth has been sold to the Bush Terminal Company and the Mc-Lane Silk Company. The transaction is said to be the largest in silk in the world's history.

Detroit has done \$59,000,000 worth of construction up to October 1, of which \$29,000,000 went for homes and \$30,000,000 for new factories and stores.

A new 1200-room hotel will be erected in Kansas City, Mo., by a consolidation of hotel interests in that city. The new building will be 25 stories high and will represent a total investment of \$5,000,000.

Labor

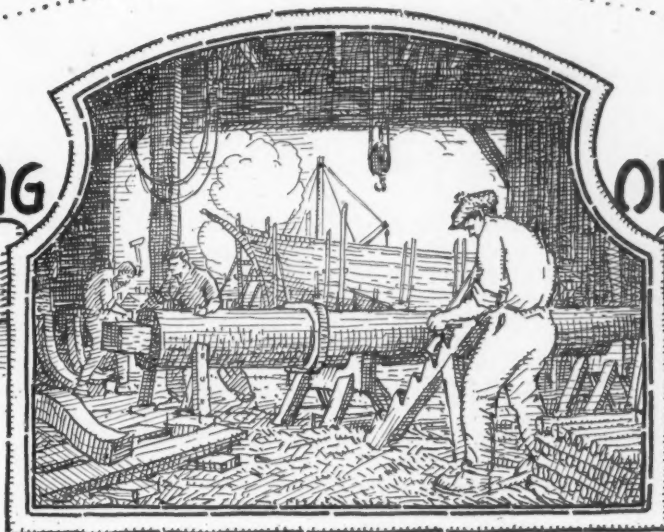
SAMUEL GOMPERS, president of the American Federation of Labor, has announced that organized labor's conference, which will thresh out every issue affecting industrial life of the nation, will meet in Washington, D. C., December 13.

The report of the Federal Electric Rail-
(Concluded on page 62)

"THE BUILDING

OF THE SHIP"

"Build me straight
O worthy Master!"



Staunch and strong,
a goodly vessel!"

THE "QUICK-ACTION" AUTOMATIC AIR BRAKE

1887

*"Delighted the master heard
For his heart was in his work
And the heart giveth grace to every art."*

The keen foresight of Mr. Westinghouse sensed the coming of the time when increasing length of freight trains would require a quicker acting brake than the existing "Plain Automatic". He accordingly designed and worked out the quick-action automatic type of brake. In service braking it functioned like the plain automatic air brake, but in emergency application gave 20% additional pressure in the brake cylinders in much shorter time. High train speeds, shorter stops and less shocks when stopping were the resultant advantages gained. These successful ends were accomplished by Mr. Westinghouse in the M.C.B. Burlington tests, 1886-87. At the conclusion of the tests the Westinghouse 50-car train drawn by two heavy locomotives and frequently run at speeds of fifty miles an hour and above, visited various large cities throughout the Country where surprisingly short exhibition stops were made for the benefit of prominent railroad people. Again the "worthy master" had built "straight"

*"It was another form indeed;
Built for freight, but yet for speed;
A beautiful and gallant craft!"*

WESTINGHOUSE AIR BRAKE CO.

GENERAL OFFICE AND WORKS, WILMERDING, PA.

Better Methods Add to the Harvests and Our People Begin to Realize the Danger of War's Left Over Illusions

By ARCHER WALL DOUGLAS

IF, after the manner of the writer of this article, you recently had taken the wings of the morning and flown to the uttermost parts of this country of ours, you would have been most profoundly impressed with the unceasing and tremendous volume of the business of distribution which met you at every turn.

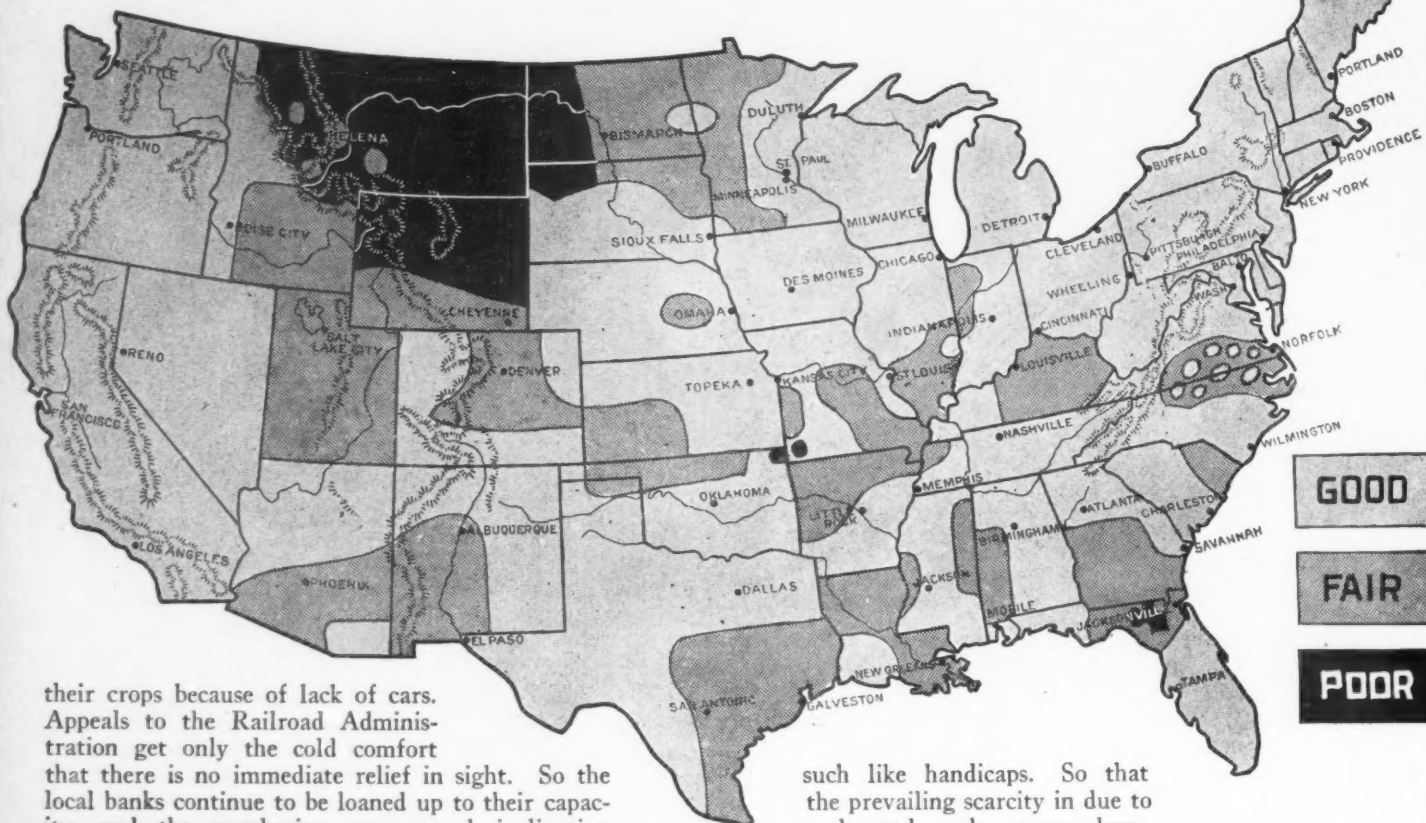
From Nebraska and Kansas grainfields southward through Oklahoma to the peach lands of North Texas, the only deterrent to much greater business is the inability of the farmers to move

where there is much grain, and feed for live-stock, and diversification of crops and hogs and cattle, and an insatiable demand for lumber that cannot be met. So there is much buying of automobiles, and much building under the stress of necessity.

So great is the demand in every section for all manner of commodities that there is small realization that production in most commodities is on a tremendous scale despite strikes, delays in transportation, and

Business Conditions, November 11, 1919

THE map shows at a glance the general business conditions of the country. It is prepared by Mr. Douglas as a weather map of business, and should be so read. The light areas indicate large bank deposits, promising crops, industrial activity, evidence of an economic evolution, creating new needs in home, shop, and farm—in a word, a "high pressure" buying market. The black areas locate reverse conditions. The shaded area means half way.



their crops because of lack of cars. Appeals to the Railroad Administration get only the cold comfort that there is no immediate relief in sight. So the local banks continue to be loaned up to their capacity, and the purchasing power and inclination of the farmer awaits the slow process of transportation.

Far southward, in distant West Texas, they are picking cotton and gathering kaffir corn where twelve months ago the parched and thirsty earth bred only unceasing land storms. The once depleted herds upon the endless plains are fast filling up, and because of unceasing rains the grass upon the ranges offers feed for the entire winter. Even in the little towns which dot the everlasting stretches of the tablelands of the Texas Panhandle and New Mexico there is abounding prosperity in full measure, pressed down and running over.

It is the same story along the Mexican border and in the once desolate valleys of Arizona, where cotton, alfalfa and orange trees mark the site where once reigned the silent, hostile desert. Nor is it different eastward through Arkansas and across the Mississippi, where such cotton as the rains and boll weevil have left commands fabulous prices, but

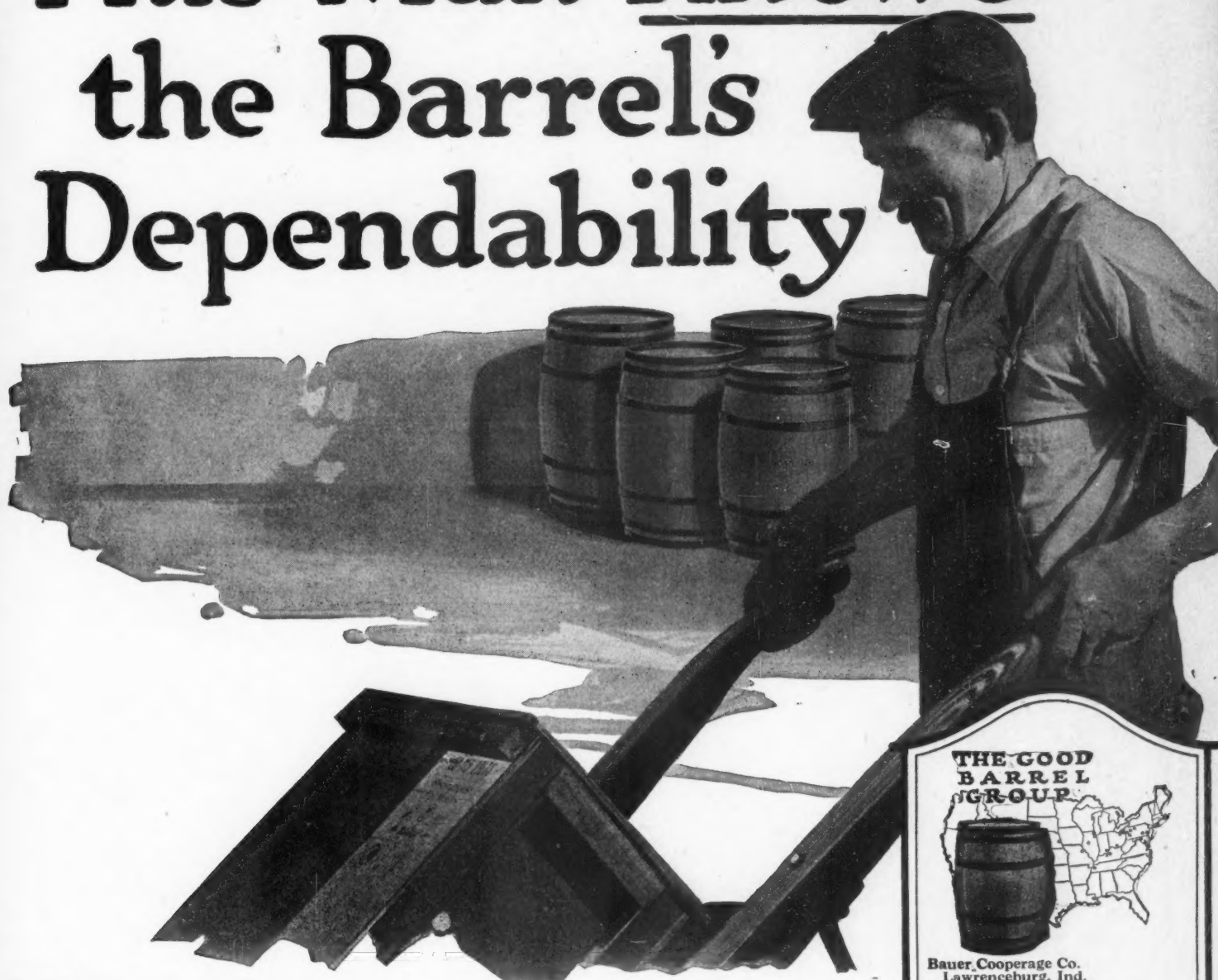
such like handicaps. So that the prevailing scarcity in due to a demand such as we have

never before experienced. Even in the drought-stricken sections of the far Northwest, business is in surprising volume, despite the scanty yields of the principal crops. The answer is found in the wide prevalence of those numerous minor industries of which we hear little and know less.

The dairy cow is everywhere an unceasing and constantly growing source of wealth. In Wisconsin her products bring the farmers of the State over a hundred million dollars each year, and this is due largely to the teaching and impulse of that great State University which crowns the heights above Lake Mendota, while in Missouri the poultry products are considerably more than half the entire annual production of gold in the United States including Alaska.

There is also the busy bee, with suffrage colonies where females both reign and do all the work and where the males' share and philosophy in life is that prevalent in the Fiji Islands, and once in fashion before the war in some classes in

This Man *Knows* the Barrel's Dependability



THE man who handles every sort of shipping package day in and day out through the year, soon learns the weak sisters of the container family.

He knows that he must shelter light-weight crates and corrugated boxes, tins and even heavy metal containers from the elements to protect their contents from moisture, heat and rust.

But he doesn't worry about the tight wood barrels. Everywhere you see them left exposed to the weather upon open platforms and docks. The warehouse man knows the barrel's strength and dependability, and places implicit confidence in the barrel's ability to protect its contents under all circumstances and conditions.

His unconscious testimony proves that the safest container for liquid and semi-liquid products is the tight wood barrel.

Every shipper can profit by the information on the care and preparation of barrels contained in the "Good Barrel Group" Booklets. They also contain the standardized list of barrels for all liquid products as adopted by the leading coopers and shippers. Sent free on request.

Address Secretary G. B. G.

936 Illuminating Building

Cleveland, Ohio

THE GOOD BARREL GROUP



Bauer, Cooperage Co.
Lawrenceburg, Ind.
The Britton Cooperage Co.,
Green Bay, Wis.
Chess & Wymond Co., Inc.
Louisville, Ky.
The Chickasaw Cooperage Co.
Memphis, Tenn.
The Cleveland Cooperage Co.
Cleveland, Ohio
Hardwood Package Co., Phila., Pa.
Hellmuth Cooperage Co., Chicago
C. G. Hopkins Cooperage Co.
Joplin, Mo.
T. Johnson Co., Chicago, Ill.
J. R. Kelly Cooperage Co.
Kansas City, Kans.
The Kimball-Tyler Co., Baltimore
A. Knabb & Co., Marcus Hook, Pa.
A. Knabb & Co., Warren, Pa.
Louisville Cooperage Co.
Louisville, Ky.
National Cooperage & Wooden-
ware Co., Peoria, Ill.
The Ohio Cooperage Co.
Cincinnati, Ohio
Jos. Oker Sons Co., Cincinnati, O.
Pekin Cooperage Co.
Ambridge Office, Ambridge, Pa.
Pioneer Cooperage Co., Chicago, Ill.
M. H. Ritzwoller Cooperage Com-
pany, Chicago, Ill.
The Rouseville Cooperage Co.
Rouseville, Pa.
H. G. Rush Cooperage Co., Oil City, Pa.
St. Louis Cooperage Co., St. Louis
A. M. Welti & Bro., Cleveland, O.
Western Cooperage Co., Portland,
J. H. Winterbotham & Sons Co., Chicago, Ill. [Ore.]



"IF?"

IF you want your workers to be sincere in their efforts, and to produce in quality of the right amount and kind:

If you are willing to go fifty-fifty with them in giving and getting a square deal, fifty-two weeks each year:

If you will just *half try to understand*, and leave the rest to us:

If you want to feel like the old-time employer felt, and go to bed each night, to sleep and not to worry about labor-turnover and trouble:

If you want to change your policy, and don't dare now — due to your workers:

If you want understanding to constantly exist and disputes to be forever in the discard:

If you want to avail yourself of the knowledge of those who have had ten years of actual experience in molding the thoughts and actions of workers in all kinds of industries, through personal contact and suggestion — if you want this wonderful daily experience we are having, always at your call:

Think! We will *show you that your workers can be shown* that your interests are theirs, and theirs yours — we will prove to your complete satisfaction that Sherman Service makes workers *think right* and produce, without waste and discord.

Hearing our story will be interesting. We get the *ifs* out of industrial relationship. We'll gladly tell you, or send our literature, as to *Who We Are, What We Do, and How We Do It*.

Simply use your letterhead in your request, or say when we can have two good hours of your solid attention.

(Nearly one hundred Sherman officials, specialists in handling the human element in industry, men and women who have gained their knowledge by practical experience, are directing the activities of hundreds of Sherman representatives located broadcast throughout the United States and Canada. Each Sherman client receives the benefit of our combined knowledge.)

SHERMAN SERVICE INC. "Industrial Relationship"

New York	Chicago	Philadelphia	Boston	St. Louis
12 Rector St.	208 So. La Salle	1211 Chestnut St.	10 State St.	314 No. Broadway
Cleveland	Detroit	New Haven	Providence	Toronto
1 Park Building	73 State Street	42 Church St.	10 Weybosset St.	10 Adelaide St. East



highly civilized countries of Central Europe. There are many million dollars worth of honey produced each year, principally in the West, and it is a highly organized and intelligently conducted commercial pursuit. Wherever you go, you find manufacturing plants in most unexpected places—pearl button and Russian caviar factories in Canton, Missouri; a stove foundry in New Athens, Illinois—also everywhere intelligent and progressive agriculture.

The cultivation of sweet potatoes moves steadily northward each year. Texas finds constantly new uses for her six hundred thousand acreage production of peanuts. Alfalfa is now an essential part of agriculture in Mississippi.

Wisconsin is developing possibilities for her cut-over northern pine lands. Sorghum and cane syrup are now in great abundance to eke out the scarcity of sugar. Arizona is raising the date palm of the Sahara in desert wastes that once knew only the Apache and the rattlesnake. But most significant and most hopeful of all is the grim determination of the multitudes that we have come to the end of the mad illusion that we could go on indefinitely in industrial life producing less and getting more for it, or that any one class can run this country, and get away with it, for its own benefit and not for the welfare of the people of the country.

There is no mistaking the universal feeling that we are through with those socialistic theories whose impracticability was so clearly disclosed by the war; that socialism, as now constituted, has nothing to offer, for it is not a living force and, as Herbert Hoover said, its fatal weakness is that it has failed to produce. Nowhere is the constructive spirit so strong as among the farmers, whose sober commonsense perceives only too clearly the midsummer madness of much that is passing in industrial life. They are organizing, as they have never done before, on the elemental platform that farming, being the most important producing business in all the world, is entitled to a fair return on the cost of its production.

Those who imagine that the farmer can be induced to join hands with the forces of unrest and discontent in the industrial world have another think coming to them. There is everywhere an entire realization that the times are out of joint, however much prosperity prevails, and that the ways of commonsense and sober thought are the only guides out of the perplexities which encompass us, but of whose ultimate solution there is nowhere any serious doubt.

Babel—or Something Better?

(Concluded from page 11)

and Japanese ideas. What will soothe the British working classes may cause revolution in Japan. It is easy enough to find some scheme which will work in Japan for the present, and it is easy enough to find some scheme which will work in Great Britain, but it is going to be a matter of some difficulty to find a scheme which will work in both.

Take Great Britain and Japan and multiply that problem by twenty. You have then a picture of the situation at the conference. There are forty nations at the conference, each with its interests to guard.

If Great Britain and Japan offer problems what shall we say of South America? There are twenty-one nations in the conference which speak Spanish and all but one of them

are in Central and South America. All of them are countries of a basic Indian population with a certain sprinkling of Spanish or Portuguese. In all but the leaders, modern machinery is at least new and in many of them it is still unknown. Like Japan they have inefficient labor and consequently long working hours. They can be expected to oppose any limitation of working day or week. They are an element which is looked at askance by both employers and employees. Evidently they themselves are inclined to look askance at a conference between employers and employees for practically none of them have sent employers or workers' delegates. There are seventy-two government delegates in the conference and only forty-six combined workers and employers representatives. The heavy government balance seems to come largely from South America. To one who is used to hearing manufacturers and trade unionists airing their views very freely in public it is somewhat startling to find office-holders speaking for both.

As an illustration of what we are likely to have when economic problems are handled by men who have had only political experience consider the cure-all submitted by one of the South American delegates. This delegate reasons that most of the economic ills of mankind arise because some men work while others are idle. Everyone, he says, should be a producer. One of the great troubles, to use his own phrase, arises from "the injustice of a co-existence of drones and workers in the great beehive of the world."

Now that is all very fine so far. Any man who does not work himself and who does not live either from lawfully produced stored up wealth of his own or of course necessarily a drone. We have been trying to get rid of that sort of person in society for a few thousand years and have had considerable difficulty doing it. But the South American delegate proposes to settle the problem for all time in three lines through the establishment of "Universal Compulsory Labor in keeping with individual aptitudes and within the limitations required by proper regard for health and human life." If this is done, he says, there will then be no social question and no labor problem. Through it "humankind will be redeemed."

In sharp contrast are the European delegates. Among them it is not the politician who speaks, but it is the worker or employer. Sir Malcolm Delevigne of Great Britain may have some views to present but the men who state the British position are Mr. D. S. Marjoribanks, the employers' representative, or George N. Barnes, a trade unionist, who happens for the present to be a member of the British cabinet. For France it is Fontaine, an office holder, but none the less a labor man, and Leon Jouhaux, the head of the French Federation of Trade Unions and who was himself until recently a worker in one of the match factories owned by the French government. Other strong men of the conference are men like Carlier of Belgium, Oudegeest of Holland, Baldesi of Italy, and Guerin of France. None of them are politicians or office holders primarily, but who hold office because they first won their spurs either as labor leaders or captains of industry. These men are mechanics, artisans, metal trades workers, men who have first acquired leadership in labor movements or men who have acquired leadership in great industries. They are all men who have looked a pay-roll in the eye from one end or the other.

This must not be taken, however, as an implication that there are no able minds except in the business or labor camp. There are men in the government groups who stand out in sharp contrast to their fellows. Take for instance, Professor Ernest Maheim of Belgium, a professor in the University of Liege. When he speaks one can see by the attitude of his business and labor colleagues that they believe he knows what he is talking about. Another outstanding and at the same time one of the most picturesque personalities in the entire conference in Monsignor Nolens of the Netherlands. Dr. Nolens is a bishop and dresses the part. He wears the usual clerical collar and coat but with a red vestment. Dr. Nolens is something of a personage in his own country, and a short time back came within an ace of being prime minister. He has definite ideas on more things than theology and his countrymen recognize it. He knows economics and finance and would have been just as much of a success as a banker or a manufacturer as he has been in the church. He is one of those vigorous personalities who can never be consigned to one field. At any rate any one who has been to the conference will agree that the good bishop has ideas of his own.

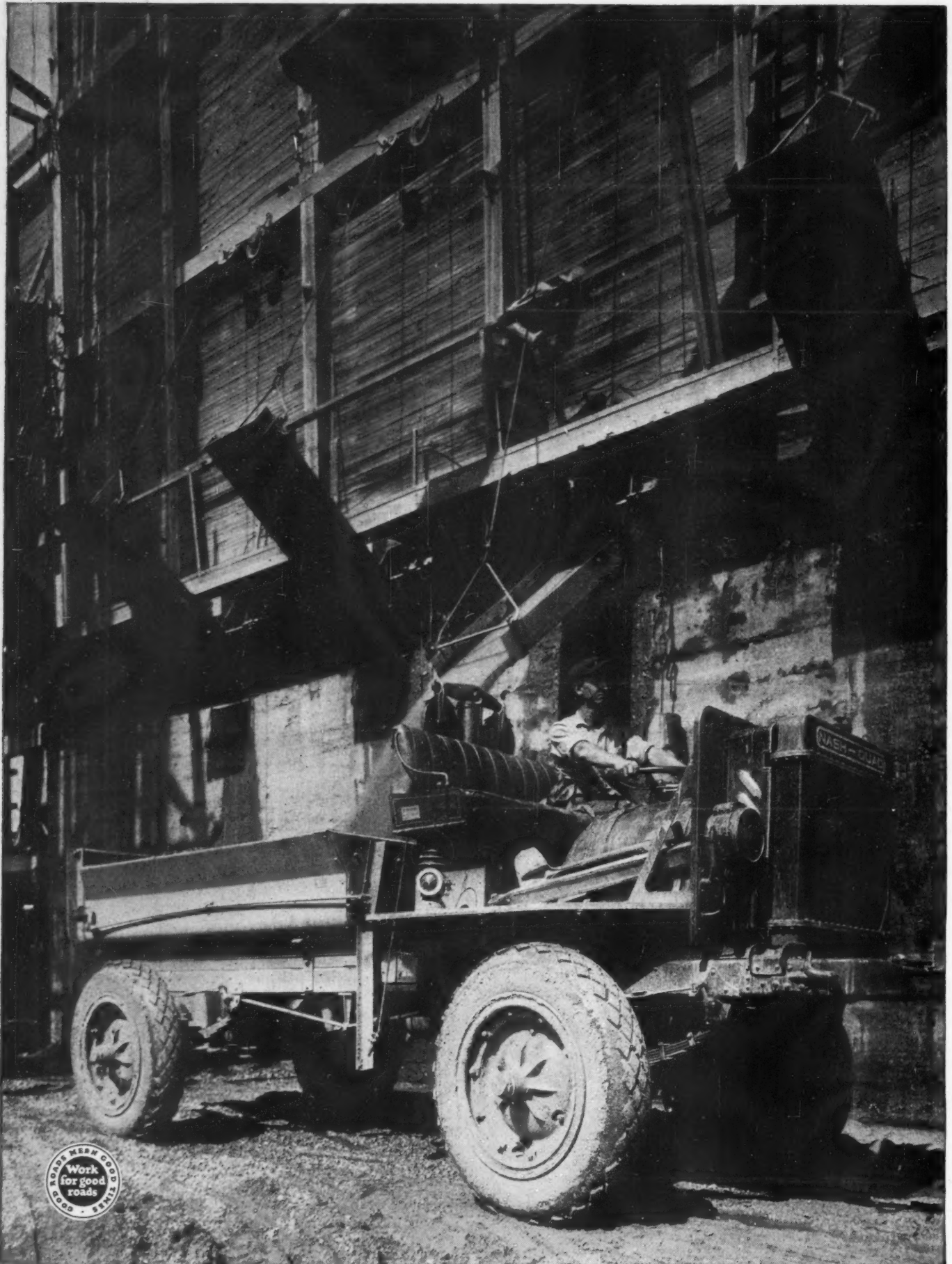
And the Outcome?

AND what will come of it all? To begin with there will be wrangling enough to satisfy the most pugnacious. But it is the kind of wrangling that will do much good.

Conclusions which will be reached will not usher in the millenium. They will probably please no one and for that reason will probably have some merit. The finished product will represent innumerable compromises and concessions on all sides. When one attempts to reconcile the view points of two persons, he must expect some modifications of the positions of both the contending parties. Neither will be wholly satisfied with the result. If one should attempt to reconcile three, the concessions granted by each would necessarily be greater and the final result less popular with all three. The more persons there are to an agreement the more each will have to yield and the less chance there is of the final contract pleasing any one of the parties.

A process of knitting the world together is going on. The submarine, telegraphs, the radio and the airplane will probably inside of the next twenty years make many of the European countries as accessible as many parts of the United States are to each other today.

We have already internationalized many of the relations of capital. It is quite natural that the internationalization of capital should come first, for it is much more fluid. Wherever high returns are to be had no matter how remote the field, our investments, our money, and our machinery go to them. So it is with labor. The world currents of labor settle in the direction of the greatest opportunities. We have learned to standardize many of our international financial relations. We already use the same metal today as a basis for money. It is imperative that we standardize similarly our labor relations. The laggard nations of the world must catch up with those who have modern and humane standards. If any of the nations of the world are exposed because of their adoption of humane standards to the destructive competition of nations with lower standards, is it not a sound proposal to protect them by making the higher standards as nearly universal as possible? That is what the present conference proposes to do.



Un-retouched photograph showing a motor truck completely equipped with Goodyear Cord Pneumatic Truck Tires, which is employed in hauling road construction materials by A. H. Telder, at Grand Rapids, Michigan

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His Pneumatics Plow Through When Solid Tires Must Wait

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—A. H. Telder, Cartage Contractor, Grand Rapids, Michigan

Of all the motor trucks engaged on the same route in Grand Rapids, only Mr. A. H. Telder's pneumatic-tired truck can constantly negotiate the hills and red clay.

Only Mr. Telder's truck on Goodyear Cord Pneumatic Truck Tires can haul its capacity plus a loaded trailer over this difficult route.

So Mr. Telder, a cartage contractor of Grand Rapids, Michigan, states he will never go back to solid tires.

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But, with mud up to the hubs, the unit on the Goodyear Cord Pneumatics has kept right on earning money.

And stretches of sharp rock and gravel thus far have failed to impair the rugged appearance of these tires.

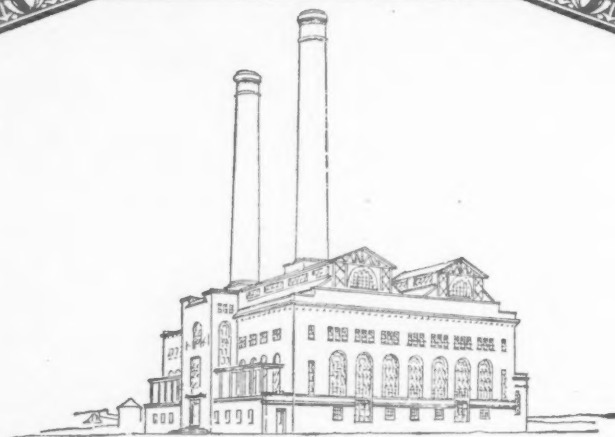
After covering 100 to 120 miles daily during a considerable period of this severe service, the blocks of their All-Weather Treads are still thick and largely unmarked.

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The World and Our Cotton

With food and clothing short everywhere, this plant which produces both, becomes of such importance that the nations advise with us upon increasing the supply and reducing the grower's risk

By AARON HARDY ULM

SOME day a writer of genius will do for cotton what Frank Norris, with his epic-trilogy, did for wheat. But the telling of cotton's story will be a harder task. For it comprises more than the history of the Southern farmer who grows nearly three-fourths of the world's supply, more than that of the big exporter, domestic manufacturer, or even the speculator shouting and gesticulating around the pits in the New York or New Orleans exchanges.

The narrator's imagination would have to encompass all the sea. Liverpool, Manchester, Havre, Alexandria, Bombay, Shanghai, Buenos Aires, these great ports and many more, are of first importance in the trade drama of cotton.

Joshua Simpkins, average American cotton farmer, thinks—perhaps more than does any other farmer—in national and international terms. Yet he falls far short of visioning the full significance of the small seed which, in Spring, he drops into his furrows. For instance, he does not realize that maraudings made by a little worm that operates in Egypt affect his autumnal profits and losses almost as directly as the ravages of his own boll weevil. Similarly, a drouth in India, a new revolution in China, a big strike in Lancashire may prevent him from purchasing that new flivver or adding an L to his house. He thinks and talks a lot about the New York Cotton Exchange but of the Liverpool Cotton Exchange, which more than any other unit in the machinery of cotton distribution is the prime barometer of prices, knows little. It is too remote. And though for nearly 150 years the Southern farmer has depended largely for his market upon foreign mills like Manchester and Lille, and, conversely, though the prosperity of those mills has depended upon the plantation of the South—although possessed of mutual interests and confronted by mutual problems—the two chief cotton groups, the planter and the manufacturer, have remained as far asunder as if one were located on the planet Mars and the other on the Earth.

The System Grew Like Topsy

LIKEWISE the intermediate machinery of cotton distribution has been separated as if by the oceans. The cotton merchant of Liverpool developed a trading system of his own. So did the American cotton merchant. There grew up a confusing difference in the meaning of terms—to use one example. Even now, though both employ a common language, the terms of every sale must be translated as if each spoke a foreign tongue.

About ten years ago, the first meeting of representatives from varying cotton interests throughout the world took place at Atlanta, in the center of the cotton belt, and resulted in the smoothing out of many misunderstandings. But nothing lasting came of it. Eng-

lish spinners continued operating through their well developed organizations, and American spinners went ahead with their Northern and Southern organizations. The producer had scant touch with either, nor was there any co-operative organization to bridge any of the chasms between the numerous intermediary classes of cotton oper-

A Tie That Binds

THE world demands today a crop of 25,000,000 bales of cotton. For nearly 150 years the Southern cotton farmer has depended largely for his market upon foreign mills like Manchester and Lille. Conversely those mills have depended upon the plantations of the South. Mutual interest—mutual problems—yet the planter and manufacturer have remained as far asunder as the Earth and Mars.

Now 3000 delegates at the cotton convention in New Orleans have started a plan of permanent international organization—and cotton, one of the greatest world staples, firmly binds together the interests of East and West.—The Editor.

ators, such as compressors, exporters and domestic buyers—and none that included the vast cotton interests lying in neither Great Britain nor America.

The war emphasized the extended interdependency of all interests having to do with cotton. For when the exchanges that had served as clearing houses for the trade found it necessary to close their doors for a period of about three months, the whole cotton trade, from the farmer of the South to the textiles broker in Shanghai, had to mark time. So, when the war ended, leading American cotton men undertook to bring about another and more inclusive conference of persons representing all the interests of the trade. Early in October New Orleans lodged what is, in some respects, the most significant business gathering ever held. Nearly three thousand delegates participated, among them representatives of as many as thirty-one countries. Even several of the new nations, such as Czecho-Slovakia, were represented.

The appeal foreign spinners most earnestly put forth to Southern producers at the conference was for the abandonment of careless storage. This results in unnecessary deterioration of a very large portion of the Southern

crop, but it is not all due to reckless indifference. Experts estimated that "country damage," mostly due to careless handling of the gathered product on the farm, at gins, or in transit, results in a loss of from \$50,000,000 to \$60,000,000 a year. None of this is suffered by the manufacturer; virtually all of it is deducted from what the farmer should receive. But the foreign spinner needs good cotton, sometimes hard to get. So he was as enthusiastic as the farmer himself for the development in the South of a proper warehousing system. In the rush of a heavy marketing season there are not enough available roofs in the South to cover the millions of bales handled. Good warehouses would also enable the farmer to feed his cotton to the market through the year instead of jamming the market during the Fall.

"We are indifferent as to what raw cotton sells for," said a prominent Lancashire spinner, "provided we know that the price won't be subject to wild fluctuations. Therefore everything possible should be done to stabilize price and standardize quality."

But while something may be done, it was the general opinion, as expressed most poignantly by Theodore Price, that the immensity of cotton puts the staple beyond the possibility of complete stabilization. The production, manufacturing and distribution of it involves investment values of not less than thirty billions of dollars.

The world depends on cotton for clothing and to some extent for food. How then was the world's need economically to be met? Foreign spinners declared that the demand is for more cotton; representatives of the Southern farmer maintained that, to get more cotton, there must be better assurance of a profitable price to the grower. Foreign spinners averred that crop limitation would be little less than a crime; Southern planters held that only by restricting output could the farmer get what is due him for what he produces.

They Still Depend on the South

SO upon this issue, the biggest conflict developed and, being grounded in what each viewed as a fundamental economic principle, it came very close to preventing a form of permanent organization.

Some pertinent facts were revealed. The world still recognizes its dependence on the South for the bulk of its raw cotton, but encouraging reports were made on the development of new sources of raw cotton supplies in Africa, South America, Asia, Arizona and California. None of the new sources, however, are safely beyond the experimental stage, and if even they prove permanently available it will require many years to develop the big economic organizations necessary to the production of cotton on a scale competitive with the South.

Prof. John A. Todd, of Oxford University, one of the world's leading cotton economists, declared that already there is a demand for a world crop of 25,000,000 bales, or more than double the average American output of the last four years. It won't be long, said he, before a 40,000,000 crop will be needed. And the poorer the world becomes, he declared, the more cotton, being cheap, the world will demand.

"Restricted acreage will be nothing short of a calamity," said Professor Todd. "If America reduces her cotton crop other cotton producing areas will increase theirs, but it will require at least five years time to make necessary readjustments."

There the representatives of the Southern planter, remembering the many big cotton crops marketed with loss to the producers and claiming that even the high prices of the last several years did not provide adequate profits, were neither optimistic nor conciliatory. The negro, they claimed, is failing to increase in numbers or cling to the cotton patch as of yore. Diseases of civilization are cutting his life short, and Southern cotton, so far, is dependent to the extent of perhaps seventy-five per cent, on negro labor. A foreign delegate even made the unique proposal that the South arrange to import each year 500,000 Polish peasants for the gathering of the crop! But despite certain fundamental differences the conference did reach an agreement on some features of permanent policy. More perhaps would have been included but for the rule of group unanimity that governed the proceedings.

Every proposal had to run the gamut of eleven groups, made up of compressors, insurance men, bankers, Government statisticians, economists, and all the classes having to do with the production and final distribution of cotton and its products.

After the most radical proposals of reform were vetoed by the group most directly affected, the conference did accede to several suggestions put forth in the main by the American producers. They were:

Diversified agriculture on the Southern farms;

Elimination of "country damage" to cotton and better baling;

Development of an adequate warehousing system, extending from farm to consumer;

A twelve months' marketing system;

The plans of the American Export Finance Corporation, formed to finance big exports of cotton;

The tagging of each bale when it leaves the

producer, so that responsibility for mistreatment may be traced;

Close co-operation between spinners and planters;

A price for cotton that will insure liberal and fair profits to the producer;

The prohibition of all price fixing and peace embargoes.

The conference also approved the course of the Railroad Administration in providing through bills of lading from point of original shipment for cotton exports, and that of the general Government looking to the development of inland waterway transportation.

The points rejected proposed the prohibition of the selling of cotton on call and speculation in cotton futures; and advocated reform of the British tare charge system, and the final compressing of bales for export at the gins.

To Carry on the Work

BUT, best of all, a plan of permanent organization went through. Sir A. Herbert Dixon of England was elected president. Sir Herbert is one of the biggest of the world's cotton manufacturers, in addition to which he is a Southern cotton planter, being a chief owner of a 35,000-cotton plantation in the Mississippi delta.

Two American and two English first vice-presidents were chosen. The first are Fuller E. Callaway, a Southerner, and Russell D. Lowe, a New England manufacturer. The latter are Edward B. Orme and John Smethurst, Lancashire spinners.

Rufus R. Wilson of Boston was made secretary and Frank Nasmith of Manchester, England, assistant secretary of the permanent organization.

The next meeting will take place in 1921, in Great Britain, probably Liverpool. A movement is already under way to secure the attendance of several thousand Southern planters; for all elements agreed that it is very important that the Southern cotton grower learn to "see big" when viewing cotton's problems.

The tendency of the Southern farmer to view cotton through provincial eye glasses was demonstrated by the refusal of his representatives to enter the permanent organization except as a class separate from all other cotton producers. This right was conceded. The permanent organization will be made up of ten independent classes representing every element of cotton and cotton products raising, manufacturing and distributing. Continuous co-operative work will be carried on.

What To Do With Our Ships

THE Chamber of Commerce of the United States has submitted to its 1,236 member organizations the report of its committee on ocean transportation about what the United States Government should do with the two thousand or more merchant vessels the Shipping Board now possesses, or has under contract. The organizations in the membership are to vote on the committee's recommendations and will determine the attitude of the National Chamber on a question which will soon come forward for Congressional action. The recommendations of the Chamber's committee are:

1. That wooden vessels, and steel vessels under 6,000 tons deadweight, be sold on the best terms obtainable from American or foreign bidders.

2. That other Government-owned vessels be sold to regional associations for transfer at cost to private individuals and corporations of the several regions.

3. That the Government absorb the difference between the war cost and the present value, as a war loss.

4. That there be freedom from regulation as to routes and rates.

5. That there be restriction for a period of years upon transfer to a foreign flag of steel vessels over 6,000 tons deadweight purchased from the Government.

6. That preference be shown for American underwriters, and that the underwriting market of the world be used for insurance not covered by American underwriters, without intervention by government insurance.

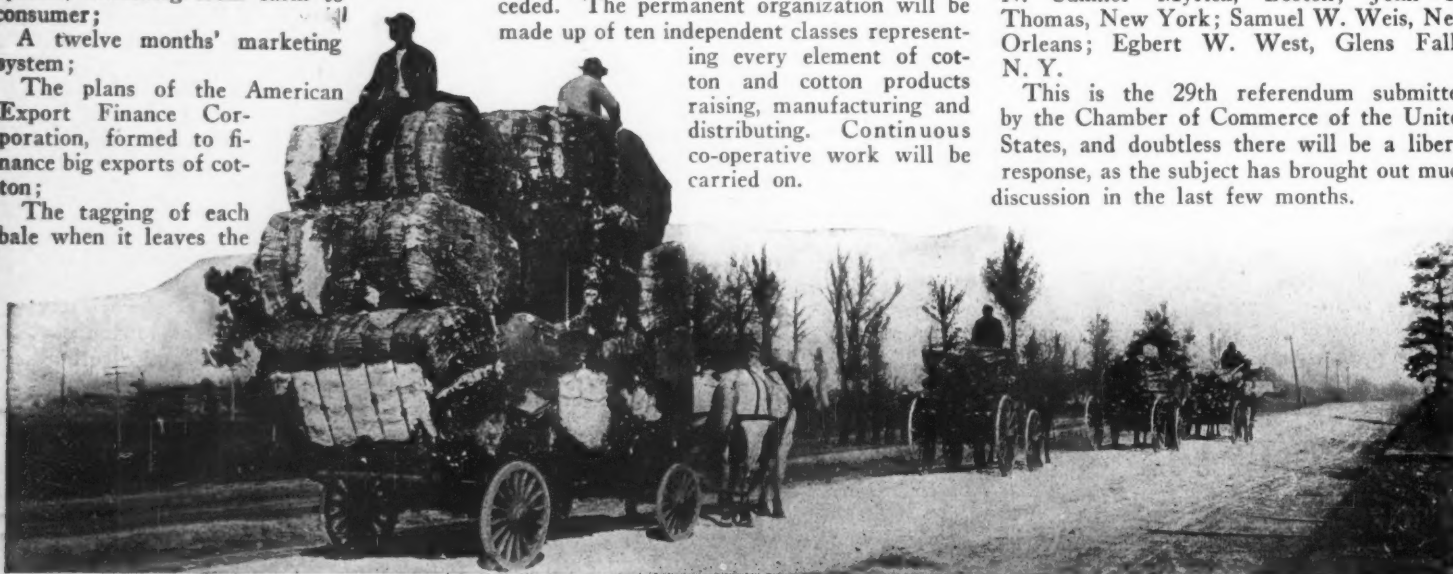
7. That encouragement be given to an American society for the classification and inspection of ships.

8. That Congress be asked to make a general declaration of a policy to give aid toward the maintenance of a privately owned and operated American merchant marine.

9. That the operation of the competent American shipbuilding yards, on private account both as to yards and the vessels they construct, be continued.

The committee which prepared the report is made up of Edward Burling, Washington, chairman; John F. Deems, Burlington, Ia.; M. E. Farr, Cleveland; Homer L. Ferguson, Newport News; C. F. Gregory, New York; B. F. Harris, Champaign, Ill.; Charles H. Jones, Boston; Frederick J. Koster, San Francisco; August F. Mack, New York; N. Sumner Myrick, Boston; John H. Thomas, New York; Samuel W. Weis, New Orleans; Egbert W. West, Glens Falls, N. Y.

This is the 29th referendum submitted by the Chamber of Commerce of the United States, and doubtless there will be a liberal response, as the subject has brought out much discussion in the last few months.



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Little Stories

(Concluded from page 50)

ways Commission says testimony showing that wages to conductors and motormen increased on an average of 48 per cent from January 1, 1915 to January 1, 1919, while the cost of living increased 70 per cent, was offered by representatives of labor.

Labor statistics indicate that few Louisianians and Mississippians demobilized from overseas service are returning to lumber mills or fish hatcheries. They are seeking better employment at higher pay.

According to figures placed before the conference of Protestant churches in New York, the immigrant population in the United States, amounting to 10 per cent of the whole, supplies 51 per cent of all labor in industrial and mechanical pursuits.

The Boehler steel syndicate plants at Kapfenburg, Wurttemberg, Germany, have been bought by an American and the employes have been notified that a ten-hour day and a piece work schedule is to be put in force and that those opposing this plan will be discharged and replaced by American laborers.

Denver High School teachers have voted to form a labor union and to affiliate with the American Federation of Labor.

Striking harbor boatmen, port and terminal workers, agreed to accept the terms of the Railroad Administration, October 15, and ferry boats, tugs and lighters resumed operations immediately.

Modifying its order fixing the pay of minors employed in mercantile establishments in Washington, the District of Columbia Minimum Wage Board ordered recently that the minimum wage for minors after 18 months' service, shall be \$16 a week.

Stevedores of Philadelphia decided to accept their employers' offer of increased wages and remain at work.

During September a higher percentage of passenger trains made on-time runs than in August, although the results in August were adversely affected by various unauthorized strikes of shopmen. Figures compiled by the operating statistics section of the United States Railroad Administration show for the month for all regions that an average of 84.3 per cent of the passenger trains arrived at their terminals on time, compared with 83 per cent in August. Including trains leaving terminals late because of delay to connections, 88.1 per cent made their runs in schedule time or better, compared with 87.3 per cent in August.

Strike of longshoremen and freight handlers at New York caused an embargo against express business to New York for export. Strike of vehicle and platform men has caused an embargo against all shipments both to and from New York.

Early in September the conclusion was reached by the Railroad Administration that, if possible, eleven million tons of bituminous coal should be moved per week in order to meet the coal situation. There had been no failure in that program up to November 1, the bituminous coal movement on the railroads having exceeded eleven million tons each week. A new high record for 1919 was

set during the week ended October 11, when the Geological Survey estimated that 11,924,000 tons were moved.

The International Institute of the Y. W. C. A. at Buffalo is stepping into the breach and paving the way for men to become citizens by teaching their wives to speak English. The women will be visited by the workers in charge, and arrangements will be made for interpreters to begin the work in cases where no English is spoken and for the provision of teachers for those who already have some knowledge of the language.

"Immigrant Races in Massachusetts" is the title of a series of pamphlets published by the Bureau of Immigration of Massachusetts to acquaint the native-born Americans with the history and traditions of the lands from which the foreign born come. The bureau also has in view infusing in the minds and hearts of the natives a sympathetic appreciation of the contributions made to American life by the different racial groups.

Recent Government Publications

Joint Industrial Councils in Great Britain, Labor Statistics Bulletin 255.

Directions for Sampling Coal for Shipment or Delivery, Mines Bureau Technical Paper No. 133.

Public Domain, ninth edition, office of Superintendent of Documents.

Foreign Commerce and Navigation of the United States.

War Industry Board, Price Bulletins, Numbers 23, Cotton, 24; Wool, 24; Silk.

Advertising Methods in Chile, Special Series No. 185, Bureau of Foreign and Domestic Commerce.

Report of the United States Housing Corporation.

War Industries Board, Price Bulletin No. 6, building materials.

War Industries Board, Price Bulletin No. 33, prices of iron, steel and their products during the war.

Restrict the Restrictions!

SPECIAL EMPHASIS was laid on the necessity for removing artificial control by the resolutions committee of the International Trade Conference. The importance of an early return to an interchange of commodities between nations was also stressed. The report of the committee is given below:

The following two resolutions were presented by the Petroleum Committee, considered and amended by the Resolutions Committee and as amended are recommended for adoption by the Convention:

Reciprocal Recognition

RESOLVED, That it is the sense of the International Trade Conference that nationals of each country should be accorded reciprocal recognition in foreign countries identical with that accorded in their own country to nationals of other countries.

Control of Industries

WHEREAS, during the period of the war the conduct of commerce and industry throughout the world was largely placed under governmental control—the freedom of trade and the law of supply and demand being set aside, and;

WHEREAS, it was generally understood that this situation was purely temporary and would come to an end when normal conditions should be reestablished; now, therefore, be it

Resolved, That it is the sense of the International Trade Conference that all restrictions on natural economic laws should be lifted as soon as the exceptional circumstances growing out of the war will permit.

The following resolution was submitted by

the Coal Committee, considered and amended by the Resolutions Committee and as amended is recommended for adoption by the Conference:

Restrictions on Coal

WHEREAS, our conferences with the European Coal Committees have developed the need of extending and continuing exports of coal to Europe from the United States; and

WHEREAS, various restrictions by agencies of the American and European Governments prevent the most effective measures being taken to provide suitable coal of sufficient quantities under conditions mutually advantageous; and

WHEREAS, the need for several particular classes of coal in Europe and the production of many different kinds of coal in the United States make it necessary that the purchase, shipment and distribution of these coals should be handled throughout by practical and experienced business men familiar with the details of such business; and

WHEREAS, governmental restrictions seriously interfere with the development of permanent and desirable trade relationships between the American coal industry, and European consumers; therefore, be it

Resolved, That we urge the abandonment of governmental restrictions on the purchase, shipment and distribution of coal from America as soon as ever the circumstances of the respective countries will permit. And be it

Further Resolved, That the conference requests the Directors of the Chamber of Commerce of the United States to bring this resolution to the attention of the appropriate American authorities and that the members of the foreign missions be likewise requested to bring it to the attention of their respective governments.

The following resolution originated with the Resolutions Committee itself and in the form here submitted it is recommended for adoption by the conference:

Interchange of Commodities

IT BEING in the common interest of nations that there should be the widest possible development of industry and commerce and that prosperity should everywhere prevail, the International Trade Conference deems it to be of prime importance that there should be the widest practicable interchange of commodities and in particular the freest practicable distribution of raw materials and that at the present moment consideration should be given to the question of a fair distribution of raw materials in connection with any financial plans for the revival or rehabilitation of industries which have been interrupted or prostrated by the war.

Members of the committee submitting the report were: Joseph H. Defrees, Chicago, Chairman; Elliot H. Goodwin, Washington, Secretary; Great Britain: Sir Arthur Shirley Benn, Sir James Hope Simpson; France: Monsieur Eugene Schneider, Monsieur A. Tirman; Belgium: Monsieur Florimond Hankar, Monsieur Canon-Legrand; Italy: Comm. Engineer Ferdinand Quartieri, Comm. Prof. Bernardo Attolico; United States: Lewis E. Pierson, New York, George Ed. Smith, New York, R. Goodwyn Rhett, Charleston, James S. Alexander, New York, John H. Fahey, Boston, John Bassett Moore, Columbia University, E. A. S. Clarke, Buffalo, Willis H. Booth, New York.



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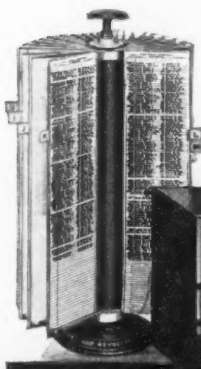
IN THE CREDIT DEPARTMENT—RAND speeds up service to the waiting customer, saves you time and clerical cost, and saves you loss from memory authorizations.

IN PERSONNEL RECORDS—RAND gives an instant grasp of your labor facts, helps you solve your problems and makes your force more flexible.

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your present
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North Tonawanda, N. Y.

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RAND

VISIBLE BUSINESS-CONTROL

VISIBLE CONTROL OF CREDITS · PRODUCTION · PERSONNEL · STOCK · SALES PROMOTION ·

The League of Business Men

Its formation is now a fact; the objects of the body are to use the power of trade in the interests of peace and to insure fair practices in international commerce

S AID A. C. Bedford, vice-president of the National Chamber, in his speech before the assembled International Trade Conference on October 25: "We have laid here the foundations for the establishment of a permanent international commercial organization, a permanent medium through which the business men of the countries may exchange information and advice, may communicate their views on problems of mutual concern, and may cooperate in promoting intelligent and broad-minded commercial development in behalf of the prosperity of the whole world. This is a great achievement and one on the foundations of which we shall hope to build a great structure of international good-will."

The formation of a permanent organization to promote international trade is the outgrowth of the International Congress of Commercial and Industrial Associations developed in Belgium by M. Canon Legrand, some sixteen years ago. This congress had formerly been the clearing-house of ideas for the business world. Its functions were suspended by the war, in 1914. Hence, when the U. S. Chamber's idea of an International Trade Conference came into being, a Committee on Permanent Organization was projected.

The former international congresses had demonstrated their value. The new conditions created everywhere as the result of the war had given prominence to the need of better and more comprehensive international organization of the commercial interests of the world. It was recognized that misunderstandings arising from commercial questions had been a potent cause of wars in the past, while more efficient organization of world trade would greatly increase the prosperity, happiness and progress of all peoples. A more comprehensive organization of the commercial and financial interests of the various nations is imperative, so that greater cooperation may be secured in the solution of many problems in which the interdependence of all countries is now more apparent than ever. A permanent international headquarters to centralize all data concerning economic subjects and social conditions must be created. Therefore the question was presented as one of the most important to be considered at the conference. The triumph of the conference was in the unanimity with which the late report of the Permanent Organization Committee, with its outline and specifications as to the proposed organization and its definite recommendations for the founding of it, was unanimously adopted—first at the meeting of all the sub-commit-

Getting at the Cause

AN excursion into commercial history will show you that it is not ordinarily the man on horseback with plumes in his hat that brought on the war. In most cases it was the prosaic necessities of life—clothes, hats, shoes, wheat, hides. In the constant struggle for raw materials and customers the jostle of competition arouses international distrust and hatred. President Wilson has said that the future peace of the world lies largely with the men of commerce.

Just now we are all completely fed up on war. There could be no better time than this for the creation of a league of business men to act as an insurance against future bloodshed by fostering honorable dealings and goodwill in the commerce between peoples.—THE EDITOR.

tees and afterward by the whole assembled conference. The American members of the Committee on Permanent Organization were:

Harry A. Wheeler, chairman, vice-president Union Trust Company, Chicago, Ill.; S. C. Mead, vice-chairman and secretary, Merchants' Association, New York, N. Y.; W. G. B. Benway, assistant secretary, Chamber of Commerce of the United States, Chicago, Ill.; John J. Arnold, Bank of Italy, San Francisco, Calif.; Wilbur J. Carr, director, Consular Service, Department of State, Washington, D. C.; John H. Fahey, Boston,

Mass.; Edward A. Filene, president, William Filene's Sons Company, Boston, Mass.; Myron T. Herrick, Cleveland, Ohio; Alba B. Johnson, Philadelphia, Pa.; Philip B. Kennedy, director, Bureau of Foreign and Domestic Commerce, Department of Commerce, Washington, D. C.; Edward G. Miner, president, The Pfadler Company, Rochester, N. Y.; George Rublee, Cornish, N. H.; F. A. Seiberling, president, Goodyear Tire & Rubber Company, Akron, Ohio; Robert P. Skinner, American Consul General, London, England; George Ed. Smith, president, Royal Typewriter Company, New York, N. Y.

The report was:

"The need of more comprehensive organization of the commercial and financial interests of the various nations is imperative and the present International Trade Conference should serve as the foundation on which to construct a permanent organization.

"The committee has adopted and recommends the following statement of general purpose of the organization:

Its Purpose

"THE purpose of the organization is to promote international commerce, to facilitate the commercial intercourse of nations, to secure harmony of action on all international questions involving commerce and industry, and to promote peace, progress and cordial relations between the countries and their citizens by the cooperation of business and their associations devoted to the development of commerce and industry.

"The committee believes that the specific aims of the organization should be:

To create a permanent international headquarters which will centralize all data concerning economic subjects and social conditions; the facts relating to respective needs, present productions, and future possibilities of each country.

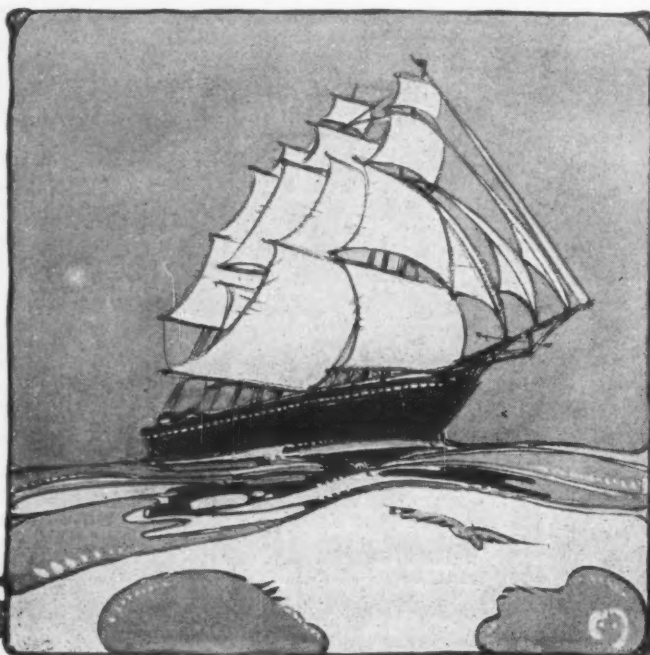
To act as an instrument of co-ordination which will suggest regulations and legislative measures to facilitate and encourage the development of economic intercourse.

To inform public opinion through publication of facts concerning business conditions and through dissemination of the views of technical experts and business men.

To put at the disposal of all official organizations the reports and conclusions prepared by those experts and business men.

"The committee presents the following tentative suggestions as the basis for a plan of organization, to consist of the following elements:

"A board of directors, made up of two members selected by each nation. In the event of the inability
(Continued on page 76)





He Dug Out the Facts Behind the Steel Strike

When the first rumblings of serious labor trouble in the steel industry were heard, the *Public Ledger* sent its own representative to Pittsburgh.

He was Carl W. Ackerman, in whose writing are combined the talents of detective, economist, statesman and star reporter.

Ackerman didn't wait for news to "break". He began digging—probing deep into the very heart of the trouble. He kept up, step by step, with the feverish preparations of both sides.

The strike started. The *Public Ledger* began to print Ackerman's articles. They exposed the whole situation—as in the rays of a great searchlight.

In two days Ackerman told all the facts that were later confirmed by weeks of Senatorial investigation. He aroused the whole country to the menace of the reds.

The *Public Ledger* is doing things like this every day. Now it is Ackerman in Pittsburgh. Tomorrow it may be Collins in Buenos Aires. Or Evans in Chicago.

Its daily 8-page Business Section is an international business newspaper.

PUBLIC  **LEDGER**
MORNING EVENING SUNDAY

(More than 200,000 Daily)

Independence Square,

Philadelphia

From Bank to Buyer

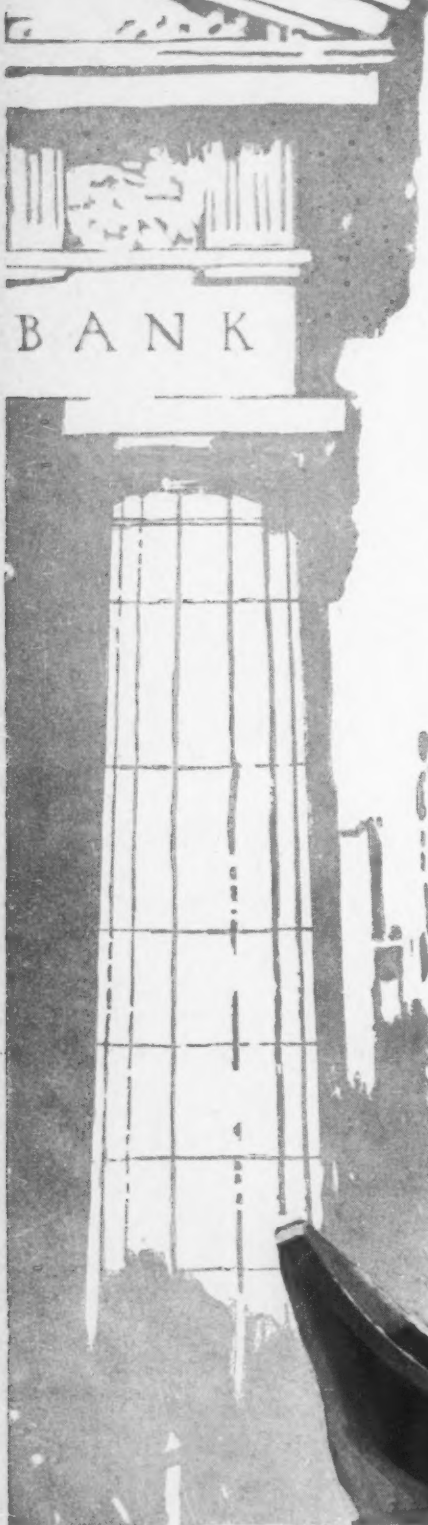
THE LIFE OF THE BANK is the life of trade. The bank's prosperity flows from the prosperity of the community.

The buyer draws his check on the bank in the seller's favor and the seller endorses and deposits it. Without exchange of bills or coin a transaction is completed that signifies an increase in the wealth of all parties.

Every such transaction involves entries in the books of at least three parties—buyer, seller and bank.

Thus the interchange of commodities by which cities and nations grow, involves a vast system of debit and credit. The cost of accuracy in these ever increasing figure operations would represent an enormous tax on prosperity if not handled by mechanical means.

Long since, the banks, by their almost universal use of Burroughs Adding, Bookkeeping and Calculating



Adding—Bookkeeping—Calculating Machines
Burroughs

to Seller to Bank

Machines set a standard in swift, accurate and economical accounting for the whole business community.

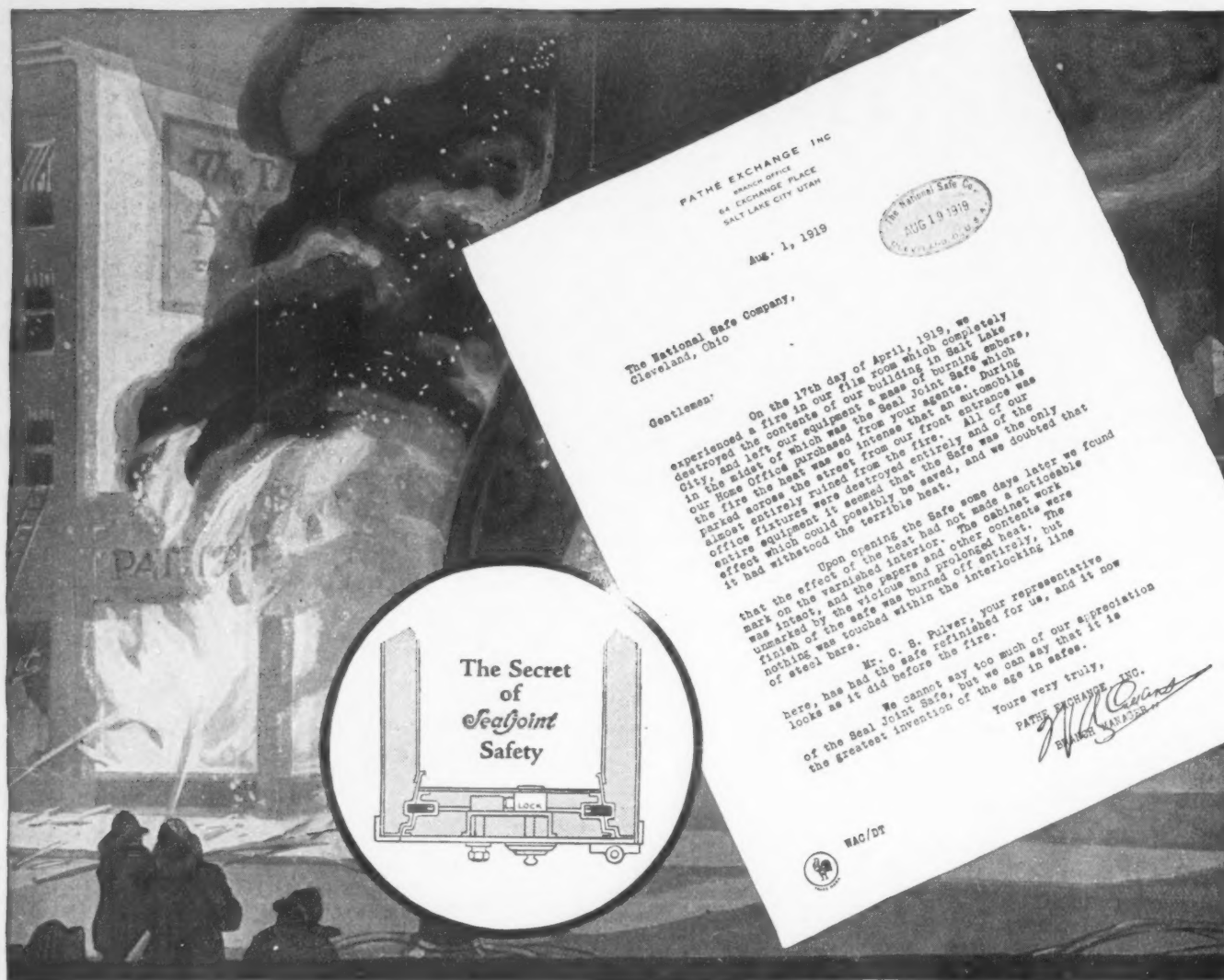
And banks today realize more than ever in the past, that they should put their expert knowledge of debit and credit at the service of every customer from the little retail store to the great factory.

They realize, too, that their example is profitable to the depositor who wishes to cut the cost of bookkeeping and escape the tax on industry levied by delay and inaccuracy.

Burroughs Machines fit into every commercial organization as aptly as they fit the bank. Ask your banker why he uses Burroughs Machines, why he is interested in your accounting methods and machinery, and what other business men in your community are gaining through the application of the bank's standards of accuracy and speed to their own bookkeeping problems.



Adding—Bookkeeping—Calculating Machines
Burroughs



PATHE EXCHANGE INC.
BRANCH OFFICE
64 EXCHANGE PLACE
SALT LAKE CITY UTAH

AUG. 1, 1919

The National Safe Company,
Cleveland, Ohio

Gentlemen:

On the 17th day of April, 1919, we experienced a fire in our film room which completely destroyed the contents of our building in Salt Lake City, and left our equipment a mass of burning embers, in the midst of which was the Seal Joint Safe which our Home Office purchased from your agents. During the fire the heat was so intense that an automobile packed across the street from our front entrance was almost entirely ruined from the fire. All of our office fixtures were destroyed entirely and of the entire equipment it seemed that the Safe was the only effect which could possibly be saved, and we doubted that it had withstood the terrible heat.

Upon opening the Safe some days later we found that the effect of the heat had not made a noticeable mark on the varnished interior. The cabinet work was intact, and the papers and other contents were unmarked by the vicious and prolonged heat. The finish of the safe was burned off entirely, but nothing was touched within the interlocking line of steel bars.

Mr. C. S. Pulver, your representative here, has had the safe refinished for us, and it now looks as it did before the fire.

We cannot say too much of our appreciation of the Seal Joint Safe, but we can say that it is the greatest invention of the age in safe.

Yours very truly,
PATHE EXCHANGE, INC.
THOMAS M. PULVER

WAC/DT

The Secret of Seal Joint Safety

More Evidence That "National Quality Protects"



The Sign of
Seal Joint Quality

Terrific heat—tons of water—and yet:
Read the convincing story in the letter reproduced above from the owners of a National Seal Joint Safe and note:

"The effect of the heat made no noticeable mark on the varnished interior. The cabinet work was intact. The papers and other contents unmarked by the vicious heat. *Nothing was touched within the interlocking line of steel bars.*"

The Seal Joint feature—an integral part of the construction of every Seal Joint Safe—kept the contents of the Pathe Freres safe immune from flame, smoke and heat.

Only one safe in a thousand gets a *real test*, but when that test comes, it's too late to wonder whether the safe will stand the strain. A Seal Joint Safe will insure the protection of your papers and valuables because every Seal Joint Safe (1) is scientifically constructed, (2) has a solid steel frame, (3) is protected by time-tested insulation, (4) is equipped with the patented Seal Joint Seal—a system of connecting, interlocking steel bolts that keeps all behind the doors intact—safe from the many dangers a fire entails.

Write for catalog "D" giving full specifications of Seal Joint Safes and the Patented Seal Joint feature.

THE NATIONAL SAFE COMPANY

FORMERLY THE NATIONAL SAFE & LOCK COMPANY

Makers of High Grade Safes, Vaults
and Bank Equipment since 1883.

Cleveland, U. S. A. Agencies in
Principal Cities

Dye Users Note!

THE War Trade Board Section of the Department of State is now prepared to make allocations providing for the importation of German dyes (other than vat dyes) in amounts sufficient to supply the requirements of the consumers of the United States for the six months' period November 15, 1919, to May 15, 1920.

Allocations will be made only when the articles desired to be imported are unobtainable from United States sources, or, though obtainable from United States sources, are unobtainable on reasonable terms as to prices, quality and delivery.

Importations of these articles will be governed by rules and regulations which will be announced as soon as the necessary details have been completed. In the meantime, dye consumers are requested to file with the War Trade Board Section, as soon as possible, applications and undertakings on forms which will be supplied on request, by the Bureau of Imports, War Trade Board Section, Washington, D. C., in which will be stated estimates of the amounts of the above-mentioned dyes which will be required for consumption during the above-mentioned six months' period.

Applicants are urgently requested to estimate their requirements as accurately as possible, as all estimates will be carefully scrutinized and any applications containing estimates which are apparently excessive will not be acted upon until the matter has been investigated and found satisfactory to the War Trade Board Section.

Business in a Palace

THE Italo-American Union, a new trade organization of Italians interested in America, has recently come into existence. It is designed to furnish a center for all Italo-American committees, and comprises economic, intellectual, art, legislative, and press sections. The National Foreign Trade Council learns that behind it are the big financiers and commercial men of Italy, who hope to encourage the commercial and economic relations between the two countries.

The association has obtained the beautiful medieval Palazzo Salviati, on the Corso Umberto, and will provide there an information office for American business men, a library of American industry, and a central meeting place combining both business and social features.

The Black Country

THE heart of Germany's industrial life lies in the upland district fed by the river Ruhr. It has been called the "Black Country." Factories are everywhere. Tall chimneys rise like a forest. Yet the industrial cities are remarkably clean and neat, with municipal theatres, public parks, etc. Here are Germany's coal and iron mines. Though dependent upon Spain and Sweden for high-grade ores, and having lost the resources of Alsace-Lorraine, she gets great production of her own ores and mines her own coal—though the latter is not likely to meet her demands.

Despite difficulties of finance and raw material and complexities of the labor problem the general atmosphere of the Ruhr district is now one of activity. Work is plentiful, and the food supply is improving. It is here that the pulse of industrial reconstruction is beating strongest, from which the new Germany will arise.



It's EASY to HIRE— —but COSTLY to FIRE

WHEN leading industrial experts a few years ago came out with facts and figures to prove that it cost anywhere from \$25.00 to \$1,000.00 to replace a trained worker—that indiscriminate hiring and firing was a waste of human material and profits—that employment functions vested entirely in departmental heads was costly—and that the conservation of man-power was not only economical but an efficiency factor—the employer began to think and to figure, with the result that centralized employment departments came into existence, thereby creating a new profession—employment management.

The Employment Manager's Problem

The employment manager does not earn his salary simply by hiring—but by reducing the number of misfits and quits. Therein lies his big problem. To maintain a stable working force he must, by judicious selection, find the right man for the right job for the right boss. He must know the requirements of these jobs, and how to keep round pegs out of square holes. This demands an intimate knowledge of departmental requirements and an understanding of labor policies. He must buy his help with just as much care as the purchasing agent buys raw material. Employment management today is a study of human engineering. It is a real man's job.

Expert Help For Employment Men

With the approval and co-operation of many of the leading industrial concerns and employment managers, the American School of Correspondence has prepared EMPLOYMENT MANAGEMENT AND SAFETY ENGINEERING.

This course, which has been endorsed by Manufacturers and Employment Associations, is now off the press and ready to help you solve your problems in this field.

EMPLOYMENT MANAGEMENT AND SAFETY ENGINEERING is the result of over two years investigation and intimate study of every phase of employment and safety. Scores of plants all over the country provided valuable data, proved plans, methods and systems.

In addition to this personal investigation, a number of expert employment managers and safety engineers have contributed many of the chapters, each having written along the lines in which they have specialized. The course offers you nothing but EXPERIENCE. The knowledge to be gained from it would take years to acquire—because it stands for years of practical experience, investigation and research.

Concerns Who Co-operated

The variety of production and personnel problems covered by the American School survey is best illustrated by the following partial list of representative concerns who threw open their plants for investigation:

Albaugh-Dover Co.—American Can Co.—American International Shipbuilding Corporation—American Rolling Mills Co.—B. F. Goodrich Co.—Brown Shoe Co.—Burroughs Adding Machine Co.—Cincinnati Milling Machine Co.—Commonwealth Steel Co.—Continental Can Co.—Crane Co.—Curtis Publishing Co.—Curtis Aeroplane & Motor Corporation—Edward G. Budd Mfg. Co.—Firestone Tire & Rubber Co.—International Harvester Co.—Jeffrey Mfg. Co.—Joseph & Feiss Co.—Maxwell Motor Co.—Miller Lock Co.—National

Lamp Works of General Electric Co.—Packard Motor Car Co.—Pierce-Arrow Motor Car Co.—Pullman Co.—Solvay Process Co.—T. A. Edison, Inc.—Timken-Detroit Axle Co.—Western Electric Co.—Westinghouse Electric & Mfg. Co.—White Co.—Willys-Overland Co.

A Practical Reading Course

EMPLOYMENT MANAGEMENT and SAFETY ENGINEERING comprises a total of over 1500 pages—including a large and valuable collection of employment forms, charts, statistical tables, half-tone illustrations and engravings, and is neatly bound in flexible binding. It presents proved facts; not theories; discusses plans and policies frankly, but without bias; and gives concrete and practical information on such important problems as follows:

EMPLOYMENT MANAGEMENT:

The Employment field—Organizing a Department—Functions and Personnel
Job Analysis
Safeguarding Selections
Training New Workers
Employment Forms
Labor Turnover

Sources of Labor

Systems and Policies
Personal Follow-Up
Collective Bargaining

MUTUAL RELATIONS: (including)

Personal Service Work
Lunch Rooms and Commissaries
Housing and Transportation Problems
Employee Representation
House Organs

INDUSTRIAL INSURANCE: (including)

Employees' Benefit Associations
Service Bonus Plans—Insurance Plans
Savings and Loan Club

Medical Service

Legal Phases

The 100% Employment Manager

The Employment Bibliography

SAFETY ENGINEERING:

The Human Element
The Accident Problem
Mechanical Guarding

Power Equipment
Gen. Eng'g Features
Special Features

EMPLOYMENT MANAGEMENT and SAFETY ENGINEERING show how the plans and policies discussed can be applied to personnel problems in concerns employing any number of men from 500 up, and engaged in any form of industry.

Send No Money

There is only one way to appreciate the great value of EMPLOYMENT MANAGEMENT AND ENGINEERING, and that is to examine it yourself. Let us send it to you, without any cost or obligation on your part. Keep it SEVEN DAYS before deciding whether you can afford to be without it. Send no money—just fill in the coupon and mail it.

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American School of Correspondence Dept. E1659, Chicago

Please send me your complete Seven Volume Reading Course on EMPLOYMENT MANAGEMENT AND SAFETY ENGINEERING for seven days' free examination, shipping charges collect. If I decide to buy, I will send \$10.00 within seven days after receipt of books and \$10.00 a month until the full price of \$50.00 has been paid. Should I decide not to keep the books I will return them at your expense.

Name

Address

Occupation..... Age.....

FINANCING INDUSTRY

THE REPUTATION of an investment banking house depends primarily upon the character of its financing. Success is achieved in the degree that a consistent attitude of constructive conservatism over a long period of changing business conditions brings satisfaction alike to the investing public, to the corporations being financed, and to itself.

The industrial corporations whose securities we buy, and in turn recommend for investment, first of all merit confidence. They are all prominent leaders in their chosen fields of activity; many of them are the most important in their industry in the United States. Their credit rating is the best. They are managed by men of experienced judgment and tested responsibility.

In constructing the financial plan under which a corporation may prosper and expand, we constantly require those elements of safety which will command the respect of the investing public and of other investment bankers with whom we may do a wholesale business. Every security syndicate of which we have been managers has been an unqualified success.

We shall be pleased at any time to discuss with managers of industries, public utilities, and steam railroads their requirements for capital.

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\$4,000,000
The Brunswick-Balke-Clender Company
Six Per Cent Serial Gold Notes

\$3,500,000
Godchaux Sugars, Inc.
Seven Per Cent First Preferred Stock

\$2,500,000
Rainey-Wood Coke Company
First Mortgage 4 Per Cent Serial Gold Bonds

\$2,500,000
Peet Bros. Manufacturing Co.
Five-Year 7½ Stocking Fund Gold Notes

\$2,500,000
Alfred Decker & Cohn, Inc.
(Society Brand Clothes)
Seven Per Cent Cumulative Preferred Stock

\$1,000,000
The H. W. Gossard Co.
Seven Per Cent Cumulative Preferred Stock

\$2,500,000
Fred Rueping Leather Company
Six Per Cent Serial Gold Notes

\$1,400,000
Charcoal Iron Company of America
Seven Per Cent Serial Gold Debenture Notes

The Log of Organized Business

The National Budget

THE Committee on Budget and Efficiency of the National Chamber of Commerce is following closely the developments in Congress toward provision for a national budget. The Good budget bill passed the House on October 21, by a vote of 285 to 3, and is now before the Senate Special Committee on the Budget of which Senator McCormick is Chairman.

The bill in its present form embodies several of the principles of a national budget system recommended by the National Chamber. It would establish a budget bureau under the direct jurisdiction of the President and would require a submission of estimates of expenditures by department heads to the President instead of to the Secretary of the Treasury, as at present, and the submission by the Secretary of the Treasury to the President, of statements relating to revenue. Through the budget bureau the President would be empowered to revise estimates and would be required to submit a budget to Congress following the form and contents of the present Book of Estimates. An accounting department responsible to Congress would be established to take over the functions of the office of the Comptroller of the Treasury and the six departmental auditors.

In some particulars the bill falls short of meeting the proposals which the Chamber's Committee placed before the Chamber's last annual meeting, especially in the form which the budget would follow. The Committee holds it to be essential that the budget as submitted by the President should be a clear outline of a work and finance program which the executive, Congress and the public could clearly understand. The bill, however, requires that the budget shall follow the forms and contents of the present Book of Estimates, which are not devised to meet the requirement of clarity. It is true that the bill contains a provision that the President submit what is called an alternative budget, to be prepared as he sees fit, for the fiscal year ending June 30, 1922 only, at the same time as he submits the regular budget for the fiscal year ending June 30, 1921. This alternative budget is, however, only in the nature of an experiment or an exhibit.

Reform in congressional action on appropriations would be partially accomplished by the passage of a resolution (H. Res. 324) reported by Congressman Good's Select Committee on the Budget. This resolution would increase the membership of the present committee on appropriations from 21 to 35 and would centralize control of all appropriations in this enlarged committee, removing appropriation bills from the jurisdiction of the several separate committees which now handle them. Other provisions of the resolution relate to the insertion of riders on appropriation bills and forbid any committee not having jurisdiction over appropriations to report any bill or joint resolution carrying appropriations. No action has yet been taken by the House on this resolution and none is anticipated before the first regular session of the present Congress.

The Senate Budget Committee has not yet announced hearings, but it is expected that hearings will be held and the Chamber's Special Committee has requested an oppor-

In spite of fogs and squalls, the good ship forges right along, thank you, and there are events aloft and below that are eminently worthy to be recorded

tunity to present its views. Meanwhile, the Committee is placing the situation before the membership of the Chamber in a special bulletin.

Progress in Commercial Arbitration

THE PLAN for commercial arbitration in international trade which the Chamber of Commerce of the United States and the Bolsa de Comercio de Buenos Aires formed in 1916 continues to make headway. The Association of Commerce of Panama, through the good offices of the Minister of Finance of Panama, has now signified its desire to enter into a similar plan with the National Chamber. When the agreement with the Panama organization has been signed there will be plans in operation with four Latin-American countries, and a plan will be advanced with a fifth, Brazil.

The progress made with this plan of arbitration with its provisions for international coöperation in promoting arbitration and in supervising its operation will undoubtedly come before the second Pan-American Commercial Conference which has been called by the Secretary of the Treasury for Washington in January.

Federal Taxation

A COMMITTEE on federal taxation is being appointed by the Chamber of Commerce of the United States. In creating a committee to make recommendations about the course federal taxation should follow during the period of readjustment the National Chamber is following the precedent it established in each of the two war years. The day before the United States declared war on Germany, it had a special committee at work studying the financial policy the government should pursue while waging war and by the time the first bill came under consideration in Congress a report of this committee was before the organizations in the membership for a referendum vote. In 1918 the Chamber had another committee on war taxation, and its report, when submitted to referendum, was as influential as the report of the committee of 1917.

The committee of 1919-1920 will have to consider the government's needs for revenue, and suggest how the revenues should be obtained. In some quarters it is asserted the excess profits tax is one of the real causes of high prices, and accordingly should be abolished. There are proposals that, for the promotion of some industries of national importance, like merchant shipping, there should be exemptions from federal taxes. There is the issue over exemption of interest on state and municipal bonds. These examples are merely illustrative of the important question to come before the National Chamber's new committee.

To Revive Street Railways

STREET RAILWAYS continue to present problems of interest to communities in all parts of the country. The Federal Street Railway Commission, appointed last summer by the President to make recommendations for policies that might prevent crippling of local facilities, closed its public hearings in October and is now engaged in preparing the report it will present to the President.

The situation of street railways has also had the attention of the Committee on Public Utilities created last spring by the Chamber of Commerce of the United States. This committee has been active in obtaining authoritative information about conditions in all parts of the country and through the coöperation of local commercial organizations has collected detailed data about street railways and their situation in upward of sixty cities. The Chamber's committee, too is now considering the report it will make. Its conclusions, of course, will be presented in the first instance to the Chamber's Board of Directors.

Cutting Down the Fire Waste

FIRE WASTE and insurance are being studied by one of the largest committees the National Chamber has ever had. There are always fifteen members on the committee. The members were largely appointed upon recommendations from commercial organizations and trade associations and look at questions of fire waste and insurance from the points of view of business men who buy protection for their property and practical insurance men who provide insurance. Mr. J. R. MacColl, the chairman, is interested primarily in the manufacture of cotton textiles and has had experience in insurance questions because of his connection with New England factory mutuals.

At a meeting on November 12 the committee had before it reports of subcommittees which have been studying such subjects as fire waste and its prevention, the rating systems that are in use and methods of applying rates of fire insurance, and fire insurance in its relation to the public welfare.

In Mexico

THE American Chamber of Commerce of Mexico is now the largest American chamber in any foreign country. There are 131 members in Mexico City alone, 25 in Tampico, 11 in Vera Cruz and others in Acapulco, Aguascalientes, Ciudad del Carmen, Chihuahua, El Oro, Frontera, Guanajuato, Guadalajara, Trapatu, Jalapa, Juárez, Magdalena, Moztatán, Mérida, Monterey, Oasaca, Pachuca, Puebla, Sabinas, San Luis Potosi, Torreón. A total of 207 in Mexico—and 186 members in America with 46 honorary members—makes a grand total of 439 members in all.

Spain Wants To Buy

UNDER the name Sociedad Americana de Expansion Comercial, an organization has been founded in Spain which, as its name indicates, is to devote its activities to the development of commercial relations between Spain and America. Four permanent ex-

positions will be established for the products of American manufacturers who desire to exhibit their goods. To intending buyers all details will be furnished concerning articles sent by manufacturers to the society. At the same time inquirers will be furnished information concerning prices, discounts, methods of payment, transportation, freight rates, customs charges, etc., in order that they may be placed in a position to purchase the goods with the least possible difficulty.

Interested in Tariffs?

A NUMBER of copies of the customs tariffs now in force in the United Kingdom and Belgium, published in English by the International Customs Tariff Bureau at Brussels, have been received by the Bureau of Foreign and Domestic Commerce at Washington.

Air Show in Chicago

CHICAGO'S first Aeronautical show will be held in the Coliseum during the week of January 8. It has the sanction of the Manufacturers Aircraft Association. Airplanes for commercial use and pleasure will be displayed.

Rivers and Harbors Congress

THE fifteenth Convention of the National Rivers and Harbors Congress will be held in Washington on December 9. This convention is called to decide upon the specific provisions to be included in the legislation needed to protect and develop water transportation and to secure cooperation between railways and waterways.

National Chamber Referenda

THE Chamber of Commerce of the United States has submitted to its 1236 member organizations the report of its Committee on Ocean Transportation about what the United States Government should do with the two thousand or more merchant vessels the Shipping Board now possesses or has under contract. This is the twenty-ninth Referendum taken by the National Chamber since its organization in 1912. The Chamber of Commerce of the United States ascertains business opinion throughout the country upon the most important measures affecting commerce, for the consideration of those officials or legislative bodies that have the power to put these measures into effect. A list of the subjects upon which the Chamber has voted follows:

1. National Budget; 2. Permanent Tariff Commission; 3. Anti-Trust Laws; 4. Owen-Glass Currency Bill; 5. Development of the Bureau of Foreign and Domestic Commerce; 6. Legislative Reference and Bill-Drafting Bureau; 7. Proposal to Create an Interstate Trade Commission; 8. Trust Legislation; 9. Up-Building of the Merchant Marine; 10. Bureau of Foreign and Domestic Commerce and the Consular Service; 11. Economic Results of the War and American Business; 12. Seamen's Act; 13. Maintenance of Resale Prices; 14. Federal Aid for Vocational Education; 15. National Defense; 16. Railroad Situation; 17. Combination as Related to Natural Resources; 18. Permit the President to Veto Separate Items of Appropriation Bills; 19. Prevention of Strikes and Lockouts; 20. Financing War; 21. Railroad Regulation; 22. Control of Prices During War; 23. A Proposal to Discriminate Against Germany in Trade after the War if Necessary for Self-Defense; 24. Water-Power Development; 25. Financing War; 26. Trust Legislation; 27. Principles of Industrial Relations; 28. Remedial Railroad Legislation; 29. Government-Owned Merchant Ships.

How One City Handles Charities

ALL those who give to charities in little or great amounts will find a rich fund of dependable information in the following financial analysis of the thirty-seven charitable agencies in San Francisco which are working

under the endorsement of the Charities Endorsement Committee of the San Francisco Chamber of Commerce.

The analysis shows that during the past year these thirty-seven charities received a grand total of \$2,112,575.63; that \$276,328.74 of this amount was expended in salaries, \$79,171.16 in investments, \$562,937.90 in general overhead charges and that \$948,045.46 was devoted to relief.

An interesting item is the showing that the general average of salary charges was \$18.02 for every \$100.00 subscribed for charitable purposes.

In cases where it appears that the salary charges are greatly in excess of this general average, it is explained that the higher charge is due mainly to the quality of service called for by medical, institutional, and educational assistance.

Houses For Lockport

THE Lockport, N. Y., Board of Commerce is backing an intensive campaign to increase the number of homes in that city. The plan is to increase the capital stock of the Lockport Homes Company by \$500,000, conducting a campaign to sell the stock of the company in quotas of \$250,000 to Lockport manufacturers and \$250,000 to Lockport merchants, professional men and others.

An American-Roumanian Chamber

THE American-Roumanian Chamber of Commerce, which has been formed with headquarters in the Woolworth Building in New York has issued a statement announcing that the purpose of the Chamber is to assist American business interests in the development of important opportunities in connection with the reconstruction of Roumanian industrial and commercial life.

This new organization will have for its purpose the stimulating and fostering of direct commercial and friendly relationships between Roumania and the United States, and its work will be carried on under the direct supervision of a special administrative committee made up of prominent American business interests which have already operated in the Roumanian field, together with official representatives of the Roumanian Government now in the United States. The Administrative Committee will consist of: S. R. Bertron, Bertron, Griscom & Company; S. B. Hunt, representing Standard Oil Company of New Jersey; J. F. Lucey, president of Lucey Manufacturing Company; C. C. Orghidan, president Roumanian Technical Commission; E. P. Thomas, president United States Steel Products Company; R. H. Ward, formerly Roumanian Consul General in London; T. Tileston Wells, consul for Roumania; C. F. Moran; E. C. Porter, executive secretary.

Railroad Legislation

THE Chamber of Commerce of the United States has made a careful study of the various plans that have been proposed for railroad legislation and has presented the results in two very interesting charts. The first of these charts shows side by side for comparison the main provisions of the seven general railroad bills that have been introduced during the present session of Congress. This chart was first published in the October issue of THE NATION'S BUSINESS; and later, in response to direct requests, 30,000 reprints were sent to organizations and individuals throughout the country. It has been re-

printed by 127 daily papers with an aggregate circulation of 2½ million copies and by a number of magazines and house organs; and is now being widely used for educational purposes by public libraries and University extension departments in many different states.

The second chart was published early in November after the Senate and House Committees had reported the two bills that will furnish the actual basis for the railroad legislation that will be enacted into law by Congress. It presents for comparison the important provisions of these two bills. Copies of both charts can be obtained by writing to the Chamber of Commerce of the United States.

Transportation Conference Report

THE National Transportation Conference which met at frequent intervals from December, 1918, to June 1919, under the auspices of the Chamber of Commerce of the United States, has issued a 200-page volume describing the organization of the Conference and presenting the conclusions reached by its members. This volume is an important contribution to the current discussion of the railroad problem. It contains a complete outline of the Transportation Conference plan for railroad legislation; the text of the Frelinghuysen bill which embodied this plan in legislative form; and articles explaining important provisions of the plan by Harry A. Wheeler, Chairman, and Richard Waterman, Executive Secretary of the Conference, Paul M. Warburg, formerly Vice-Governor of the Federal Reserve Board, Emory R. Johnson, Professor of Transportation and Commerce, University of Pennsylvania, W. N. Doak, Vice-President of the Brotherhood of Railroad Trainmen, George A. Post, Chairman of the Railroad Committee of the Chamber of Commerce of the United States, Alexander W. Smith, W. W. Salmon, Walter S. Dickey and others. It can be obtained by writing to the Executive Secretary of the National Transportation Conference, Mills Building, Washington, D. C.

"Smoky City" or "Steel City"

PITTSBURGH'S Chamber of Commerce contends that it is about time to shake the barnacle-encrusted nickname "Smoky City" from Pittsburgh, and is quoting the report of W. E. Porter, Chief of the Bureau of Smoke Regulation, as the meteorological, as well as the documentary proof, to back it up. The Chamber is initiating a movement seeking the general adoption of the words "Pittsburgh—the Steel City" upon the stationery and literature of all civic and private organizations as far as practicable, since this title adequately conveys the reputation which Pittsburgh should bear throughout the industrial world.

Organization Meetings For December

Ohio State Board of Commerce, Columbus, Ohio, December.
American Association of Woolen and Worsted Spinners, New York City, December.
Toy Manufacturers of the U. S. A., New York City, December.
Association of National Advertisers, Lakewood, N. J., December 4, 5, 6.
National Association of Clothiers, Chicago, December 16, 17.
Fur Merchants Association of City of New York, New York City, December 18.
Eastern Millinery Association, New York City, December 12.
Lumber Exchange of Baltimore, Md., Baltimore, December 1.
Linseed Association, New York City, December 10.
Gregg Shorthand Federation, Chicago, December 29, 30.
Rhode Island Bar Association, Providence, December 1.

PIONEER

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"Deliver the Goods"

TRADE MARK REG. U. S. PAT. OFF.



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THEFT and damage to your product mean eventual loss of orders. Claim adjustments are a small item in comparison with loss of business. You must maintain your reputation for reliable service. Shipments that fail to get through safely are a reflection on the house.

Pioneer Boxes

are reputation builders—they make safe delivery of your product certain. The great tensile strength of the steel wire withstands enormous strain—the tough, light wood is held firmly by strong end trusses.

Pioneers save shipping room space as they pack flat—save nails as they are partly assembled—save time as they are easily put together—save freight rates because they are lighter than ordinary boxes. A twist of the wire seals them. Pilfering is virtually eliminated. If broken into, theft is easily detected and responsibility placed. Big users find Pioneer Boxes better. Let us show you why.

Send for "Pioneer Service"

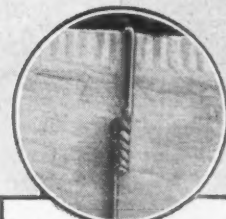
This little magazine, chock-full of shipping suggestions, is free. A postal request will put you on our mailing list.

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The Twist That Seals The Pioneer

Chemistry Comes into Its Own

The time when the word suggested only shredded shirts has passed; few products escape chemical treatment, and the nations are studying to safeguard their basic supplies

By CHARLES H. MACDOWELL

President of the Armour Fertilizer Works, Chicago

IT is only recently that the word "chemical" has lost its old significance. The word now recalls to us other pictures than those of shirts and collars chemically washed and prematurely deceased. In truth, today, few products, whether necessities or luxuries, escape chemical treatment or chemical manufacturing control. Clothes, be they white or colored, foods, the very furnishings of home and office—all require chemicals in their production. Yet chemicals themselves seldom charm the eye, entice the palate, or directly satisfy our never-ending search for happiness. They are tools of production, even as the carpenter's saw and the farmer's plow.

The statement that a nation's manufacturing activity may be measured by its sulphuric acid production is gospel among chemists and is accepted by others with more or less reserve. It is a fact, however, that the needs of war have more than doubled the manufacture of sulphuric acid. The tale is retold in the case of nearly every basic chemical product.

A typical example of the growth of chemical industry is the coking of coal, and the recovery, purification and utilization of the by-products formed. The number of ovens more than doubled. The coke, gas and tar were consumed in iron and steel manufacture, and the need for steel was bitter. Specific portions of the increased tar recovered were essential for the preservation of timber for the new wharves and railroads necessitated by our troop and supply movements. The increased ammonia production could not meet even one of many demands—that of the fabrication of ammonium nitrate—the most widely used high explosive in the war. The benzol, toluol, xylol, naphthalene were all used in explosives manufacture, and the production was insufficient to meet requirements.

The Search for New Outlets

THE need for materials of war has ceased. As in ages past, swords are again forged into plowshares. Chemical industry is finding new and profitable outlets for its production.

Powder plants are wrecked and equipment distributed to perform homely tasks of dyestuffs, fertilizer, and chemical production. Our steel plants find peace requirements demanding their productive capacity, and the by-product coke-oven industry, expanded through war needs, is still increasing. The pig iron and steel require no less coke gas and tar for fabrication. Needs of building and highway construction are scarcely met by the increased tar recovery. Ammonia is used in the growing of crops, and still we



lack enough. The oils obtained form a welcome addition to our limited supply of motor fuel, and the insistent odor of naphthalene again pervades our clothing and prevents the wanton moths' attack.

This picture of chemical manufacturing activity is seen in every country, allied, enemy or neutral, and foreign outlets for chemical products are sought by every land. The sudden disruption of normal trade in August, 1914, shut off the interchange of chemical "tools" among nations. The allied and neutral countries had been particularly dependent upon Germany, because of the infinite variety of chemicals produced there. It is stated that some twenty-five million dollars' worth of dyestuffs, imported into this country from Germany before the war, contributed largely in the quality and appearance of two and one-half billion dollars' worth of textiles, leathers and other products.

Possessing largely increased chemical facilities and realizing the possibility of recurring disturbances in world commerce, interrupting again the supply of chemicals essential in modern fabrication, nations today incline toward the development of a self-contained chemical industry, even to the point of practical prohibition of imports beyond immediate needs, until such time as their industries are well established and able to meet German competition without undue handicap.

Under the reparation terms of the peace treaty the allied and associated powers have the option to acquire up to 50 per cent of the stocks of dyestuffs and certain drugs held by Germany at the coming into force of the treaty and 25 per cent of production for the following five years at lowest prices made to any buyer. This stipulation will enable the allied nations to obtain, without question, a part of their needs from Germany during the

five-year period at the lowest prices, and will place the operations of the German dyestuffs chemical industry under the review and partial control of the Allied Reparations Commission during that period.

In the meantime, each country will naturally develop its chemical industry along lines suggested by particular advantages of materials, thought and handicraft, and, let us hope, buy from and sell to one another to mutual advantage.

A study of these problems at the International Trade Conference brought out the following committee report:

"The demobilization of war industries has been proceeding rapidly. This has been especially true in the chemical industry, which was so greatly stimulated during the war. Much of the chemical plant equipment needed for war production has great value in peace times. This is especially true in agricultural chemicals and dyestuffs. By a strange coincidence, plants and cannon eat the same food, and nitrogen compounds, acids, phosphorus, potash and other alkalies and chemicals are basic commodities, both in war and peace. We are still 'forging swords into plowshares,' as in biblical times. One of the difficulties of readjustment and use is that war needs stimulated a plant equipment in certain lines away beyond immediate peace requirement, and years of normal growth have been discounted. On the other hand, additional equipment will be needed to round out production held back by war needs.

Breaking the Bosche Monopoly

BEFORE the war, Germany had a practical monopoly in several chemical lines, and as it is easier to buy than to make, other countries had dozed along chemically and had not appreciated the basic nature of chemical production in its relation to national safety and its peculiar 'key' position with regard to the making of many articles not at all related in the public mind to chemical production. War developments brought home sharply the need of a self-contained national chemical production, and of an army of trained chemists.

"Since the war, manufacturers, frequently supported by their governments, have been working to change over war plants to peace production and to round out the output to the end that their countries need not go abroad for the bulk of their chemical needs. National chemical independence is recommended, and perhaps to an exaggerated degree, as international chemical commerce is important.

"The two countries sending representatives of the chemical industry are France and Italy.

Do you want legislation based on "facts" like these?

The Federal Trade Commission, it seems, would like to show that the packers are getting control of the food supply of the nation.

If it were true, the commission ought to have no trouble in proving it. Every detail of the packing business has been open to them.

But the idea is absurd—and an absurdity cannot be proved.

* * *

The commission has published a list of some 640 articles said to be sold by the packers.

This list is a gross exaggeration.

90 of the items listed are not sold to the outside trade by Swift & Company but are supply and repair materials, such as brick, cement, etc., used in construction and maintenance.

Glaring duplications appear also. Sausage was listed 37 times under different varieties. Strictly beef products and by-products were classified as over 60 different items.

* * *

As a matter of real fact—

Aside from meat and meat by-products, Swift & Company regu-

larly handles only butter, eggs, cheese, poultry, canned goods, lard substitutes, soap, and, to a very small extent, dried and salt fish. And it handles only a small percentage of the volume of these sold to the trade.

It is natural and logical, of course, that Swift & Company should handle these auxiliary articles.

Practically all of them are sold through retail shops. And plus this is the matter of plain economy. Swift & Company, by handling these auxiliary products, reduces overhead costs all down the line and gives cheaper meat and better service to the public.

That Swift & Company can serve the public at a profit of only a fraction of a cent per pound from all sources, is possible in large part because of these products.

* * *

We do not believe that intelligent, fair-minded American citizens want legislation based on the kind of "facts" the Federal Trade Commission is using to fight the packers.

Such "facts" are vicious and grossly unfair and can do nothing but harm to everybody concerned.

Swift & Company, U. S. A.

Founded 1868

A nation-wide organization owned by more than 30,000 shareholders



The meeting held with the French delegates, headed by Dr. Roche, resulted in an interesting discussion of the conditions existing both in France and in the United States and future possibilities. It was stated that it was the French purpose to develop further and completely its chemical and electro-chemical industry, and that particular attention was being paid to dyestuffs. That following a strike extending through the early summer months, their chemical labor situation was satisfactory; that aside from the procurement of wood distillation products, there was little we could supply them; that on their part their main export in tonnage and importance would be potash from Alsace.

For the Spring Planting

THE French delegation was informed that the United States was prepared to take for the coming spring planting all the potash Alsace could ship; that a small importation was now being received, but that strikes, interior transport and ocean shipping difficulties had so far prevented any large movement.

"The ocean shipping difficulties should easily be overcome, as many ships are returning in ballast. It was intimated that at least 50,000 tons of pure potash, contained in, say, 200,000 tons of mixed product, could be spared from French needs, for winter and spring movement, if it could be shipped.

"The meeting with the Italian representatives, with Commander Quartieri as spokesman, developed similar conditions to those existing in France. War chemical plants were being changed over to peace-time activity, and increased production would be secured as soon as necessary raw materials could be obtained. Attention was called to the fact that a considerable tonnage of American phosphate rock could be used but for the high ocean freights now pre-

"Especially attention is to be given by the Italian Government to furthering the use of fertilizers in crop production. Sr. Quartieri was strongly of the opinion that American capital could find profitable and helpful occupation in Italy in partnership with Italian chemical manufacturers, and that it could contribute experience, machinery and administration in the further development and rounding out of Italian chemical manufacturing; that Italy possessed fine chemists, skilled engineers, good workers, and relatively cheap electrical power.

"He stressed the fact that Italy intended to develop her dyestuffs and general chemical industry, that her own needs might be met, and that she might be able to do an export business; that Italy possessed sulphur, pyrites, salt and other chemical raw materials in abundance and would call for little raw material from the outside. As to purchases of chemicals from the United States, there was little this country could supply her with, benzol being one of the commodities. As to sales by Italy, there was not much we could import beyond that now coming here, such as citric and tartaric acid, etc.

"The American delegates highly appreciated the opportunity of conferring with the members of the allied missions. The allied chemical industry has much in common and can be mutually helpful by the exchange of research, by developing better and fairer methods of merchandising, and in other ways.

"The committee desires to point out that a continuous channel for further study and

communication regarding chemical relations with our allies exist through the Manufacturing Chemists' Association of the United States, the National Fertilizer Association, and the American Dyes Institute. Communications to the Manufacturing Chemical Association should be addressed to Mr. Henry Howard, chairman of the Executive Committee of the Association, 148 State St., Boston, Mass. Communications to the National Fertilizer Association should be addressed to Mr. W. D. Huntington, president of the Association, at Room 1101, Garrett Building, Baltimore, Md. And communications to the American Dyes Institute should be addressed to Mr. William R. Corwine, secretary of the Institute, at 21 East 40th Street, New York City."

The committee which submitted this report

Charles H. MacDowell, chairman, president Armour Fertilizer Works, Chicago, Ill.; E. T. Connolly, vice-chairman and secretary, acting secretary Manufacturing Chemists' Association, Boston, Mass.; Alfred P. Perkins, assistant secretary, Chamber of Commerce of the United States, New York, N. Y.; Horace Bowker, secretary, American Agricultural Chemical Company, New York, N. Y., president Chemical Alliance, New York, N. Y.; Albert R. Brunner, president, Liquid Carbonic Company, Chicago, Ill.; M. F. Chase, consulting chemical engineer, Leonard Construction Company, New York, N. Y.; William Hamlin Childs, president, The Barrett Company, New York, N. Y.; William R. Cornwell, secretary, American Dyes Institute, New York, N. Y.; H. H. Dow, general manager, Dow Chemical Company, Midland, Mich.; Francis P. Garvan, Alien Property Custodian, Washington, D. C.; E. R. Grasselli, Grasselli Chemical Company, Cleveland, Ohio; H. H. S. Handy, vice-president, Semet-Solvay Company, Syracuse, N. Y.; Henry Howard, vice-president, Merrimac Chemical Company, Boston, Mass.; C. Wilbur Miller, president, Davison Chemical Company, Baltimore, Md.; J. D. Pennock, Solvay Process Company, Syracuse, N. Y.; C. L. Reese, E. I. du Pont de Nemours & Company, Wilmington, Del.; A. G. Rosengarten, Powers-Weightman-Rosengarten Company, Philadelphia, Pa.; E. M. Sergeant, second vice-president, Niagara Alkali Company, Niagara Falls, N. Y.; Alonzo E. Taylor, University of Pennsylvania, Philadelphia, Pa.; Henry Wigglesworth, General Chemical Company, New

League of Business Men

(Concluded from page 64)

of such directors to attend the meetings, they shall be represented by an equal number of alternates.

"The board of directors shall have general charge of the business of the organization, supervision of its policies, and direction of the activities of the international headquarters and its staff. It shall determine the questions to be placed upon the agenda for all meetings.

"An international headquarters shall be located at the seat of the organization. One representative of each member nation shall be attached to the international headquarters, who shall be resident at the seat of organization and may have such necessary technical assistants as the board of directors may determine.

THERE shall be a corresponding national bureau in each country, which will be in constant relations with the international headquarters.

This organization may include all countries that are members of the League of Nations, but subject to election by the board of directors.

The membership of the organization shall consist of chambers of commerce, commercial organizations, banking associations, and similar associations, the votes of which shall determine all questions of policy. Firms, corporations and individual bankers or business men shall be eligible to admission as associate members by vote of the board of directors and under regulations to be prescribed by the directors. Such associate members shall be entitled to receive the reports and bulletins of the organization and shall be privileged to attend meetings.

In any nation having a national board or organization of its commercial interests, the members of the board of directors shall be chosen by that organization. In countries where such national board or organization does not exist, the plan of permanent organization to be later prepared shall recommend some equitable method for choice of directors.

The regular meetings of the general membership of the organization shall be held at intervals of two years, except that provision shall be made for the calling of special meetings when necessary. At such international conferences each organization represented in the membership shall be entitled to send not more than five delegates, who shall have the privilege of discussing all questions presented to the congress.

In taking a vote at the congress, each delegate shall be entitled to one vote. The vote shall be taken in the first instance by a show of hands and the questions shall be decided by a majority of the votes recorded; provided, however, that delegates representing any two countries may ask for a vote by nations, in which case any decision previously recorded shall be final if the resolution proposed by the majority of the delegates is ratified by a majority of the countries.

In all countries having a national board or organization of the commercial and financial interests, the application for membership in the international organization shall be passed upon and approved by the national board or organization.

The Committee on Permanent Organization shall consider, and, if possible, report as a part of a permanent plan of organization, some practical method of securing the opinions of the members of the organization on important international questions in the intervals between the meetings of the congress.

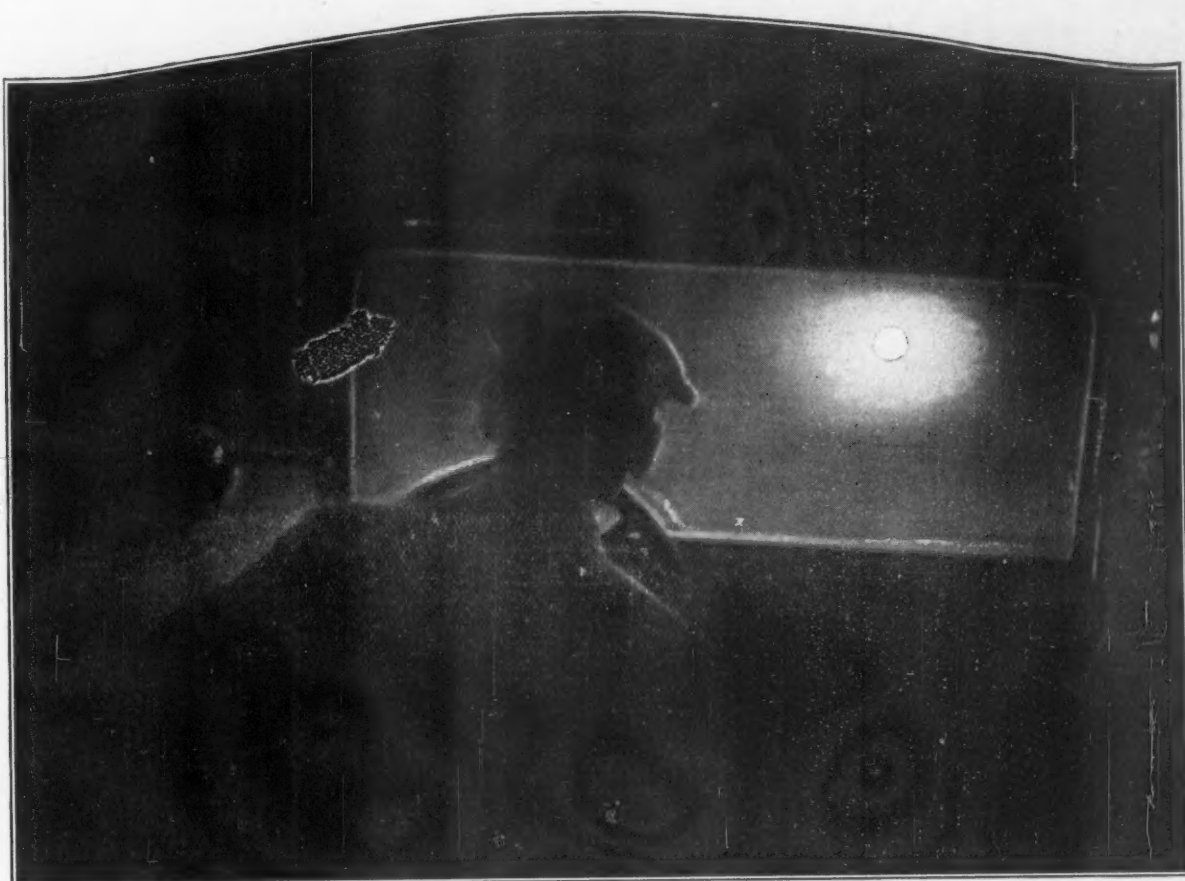
The Committee on Permanent Organization shall also report a recommendation as to the location of the permanent headquarters.

"It is the recommendation of the committee that the nations represented in the Industrial Trade Conference, namely Great Britain, France, Belgium, Italy and the United States, shall constitute a temporary organization, and that a joint committee be appointed representative of these nations to prepare a plan for permanent organization; that as soon as practicable a meeting be called by the Committee on Organization of the representatives of such nations as they may unanimously determine to invite, at which meeting the plan for permanent organization shall be presented for adoption in final form."

India offers an exceptionally fine field for the application of science to the industry by which more than two-thirds of its population are directly supported. The ploughs and tools of the Indian farmer are so primitive as to compel him to sit in helpless inactivity until the soil conditions are at their maximum. When he is shown a good implement he usually replies that his bullocks can not pull it or that it costs too much.

MAZDA

"Not the name of a thing, but the mark of a service"



What is it?

Motorcycle or car? If it is a car, which lamp is out—left or right? Lamp-unreliability is both *dangerous* and unnecessary. The known high standards of MAZDA Service are sufficient to make the cautious and considerate insist on having MAZDA Lamps—*Lamps marked MAZDA*.

MAZDA is the trademark of a world-wide service to certain lamp manufacturers. Its purpose is to collect and select scientific and practical information concerning progress and developments in the art of incandescent lamp manufacturing and to distribute this information to the companies entitled to receive this service.



MAZDA Service is centered in the Research Laboratories of the General Electric Company at Schenectady, N. Y. The mark MAZDA can appear only on lamps which meet the standards of MAZDA Service. It is thus an assurance of quality. This trademark is the property of the General Electric Company.

47X-6

RESEARCH LABORATORIES OF GENERAL ELECTRIC COMPANY





Here Is One Man Doing the Work of 15

The picture in the circle shows three men moving a load of five full sacks with a hand truck.

In the other picture one man is moving 25 of these bags in one trip with a Lakewood Model "B" Storage Battery Truck—and doing it quicker.

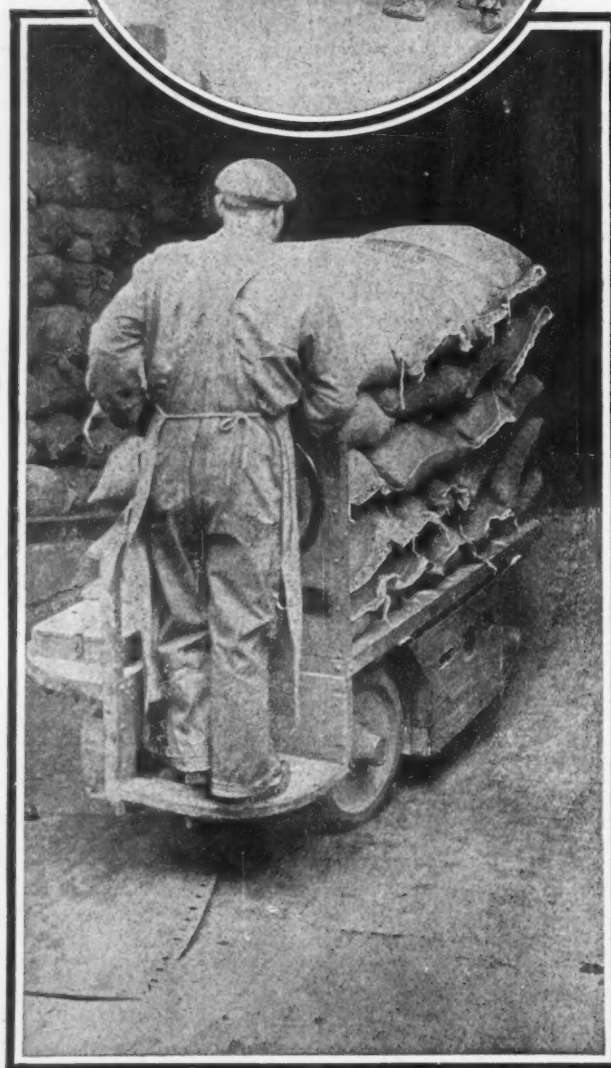
How long before such a saving in men and time will more than repay the cost of the storage battery truck?

Similar savings are possible in industrial plants where Lakewood Tractor and Trailer Haulage best meets conditions.

In some cases one tractor and a few trailers will do the work of 20 or more men. The saving depends on how well the haulage system is planned to link up with your manufacturing plan.

You can cut cost and increase production with a power haulage system. Why not let a Lakewood Engineer help estimate what a Lakewood Hauling System will do for you? No obligation on your part at all.

Bulletins on request describing Lakewood Electric Locomotives, Industrial Cars, Track, Tractors, Trailers and Trucks.



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CLEVELAND, U. S. A.

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ALMACOA

England Asks--

only that the business men of America continue to show confidence in their British customers and to supply raw materials to individuals in the "usual and normal way"

By **SIR JAMES HOPE SIMPSON**

Director and General Manager of the Bank of Liverpool

GREAT BRITAIN'S pre-war debt was approximately three and one-half billion dollars. It is now eight billion dollars. Of this, at the beginning of the war, we owed nothing abroad. We now owe seven billion dollars. But this is offset by the fact that there is owing to us by our own colonies and by foreign countries about nine billion dollars. I am not authorized to say anything on behalf of our government, but speaking only as a private citizen of the British Empire, I do not hesitate to say that while we shall require time to pay our debt, it will be paid.

The nation our finances in bills; the nation road of sacrifice is the road of

With regard commercial condition, I shall try

is determined to set order and to foot the on must follow the and hardship, but it honor and safety.

to the general conditions of Great Britain to present in a few

sentences a balance sheet of our losses and our gains. The first loss is five years of the economic development of the country; for five years the ordinary replacement of worn-out materials, machinery and so on has had to go by the board. The replacement of merchant ships has had to stand over. The savings of the people which would, in ordinary course be devoted to the development of commercial enterprise, have had to be devoted to war-like enterprises. But against that great loss we have to set one large counter gain, the increase in the class of machinery required to manufacture munitions of war. Though largely confined to an increase of machinery in our engineering works, to some extent this also means an increase in the machinery in our textile factories. On the whole it is a good set-off to the absence of the usual economic saving and development.

Then we lost some of our foreign investments; our loss was your gain. We owed a lot of money to the United States and wanted to pay it. Therefore, the bonds of your railways, the bonds of your public utility corporations and other various securities held by us were called in by our government, were either borrowed by them or purchased by them and sent over to America in order to help raise the money, and pay off some of our indebtedness. Hence, in the vaults of your banks and in the hands of individuals and companies throughout this country rests the

dollar security which formerly formed part of the investments of our people at home.

It is estimated that at the beginning of the war we held about twenty billion dollars' worth of foreign investment, but, owing to the above cause, we now hold only fifteen millions, and to the extent to which we used the interest on those investments for the purpose of paying for imports abroad are we crippled for the future. Then we had a vast rise in prices, including the prices of raw materials, machinery, food and clothing. That rise of prices affected every family in the land. It led to an enormous disturbance in the wage market in all salaries. It led to great inconveniences on the part of wives who had to look after their families, and the family provisioning. It has led to one problem after another at home which still have to be solved; and, of course, it led to the very vital consideration that everything we buy abroad in the form of raw materials for the purpose of reproduction and for exports has raised the cost against us. But now that we are actually manufacturing and getting into the export market again, prices obtained for exported goods will correspondingly rise.

Ships the Life of the Country

WE suffered an enormous loss of shipping, not only from natural causes, but from German submarine attacks; and, as shipping is the life of our island country, we cannot sit down under that loss. So already our shipbuilding yards are full of new mer-

(Continued on page 92)

Stretching along the Thames, England's ancient and stately parliament building typifies the steadfast traits of British character. They have brought the Empire safely through many a crisis before this one.



The Transformer

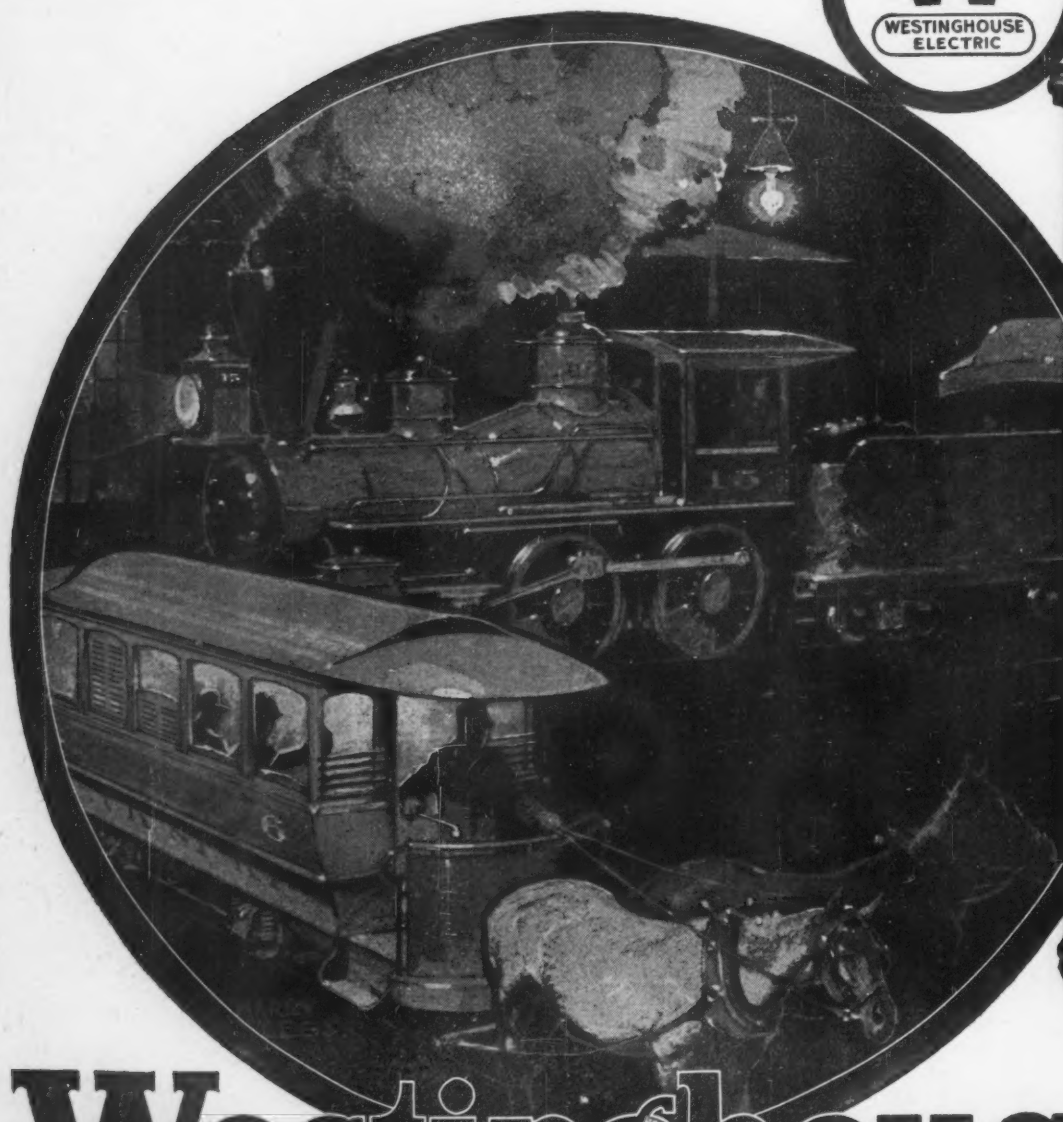
Search where you will in the pages of electrical history, you will find few, if any, developments more significant than that of the transformer. No choice of name for it could have been happier, for the transformations it has wrought have been astonishing.

It transformed an age of steam into an age of electricity. It transformed the town, with its slow-moving horse cars, its feeble oil or gas lamps, into the hustling twentieth-century city.

It has transformed commerce and industry, office and home, carrying into each the electrical economies that characterize the life of today.

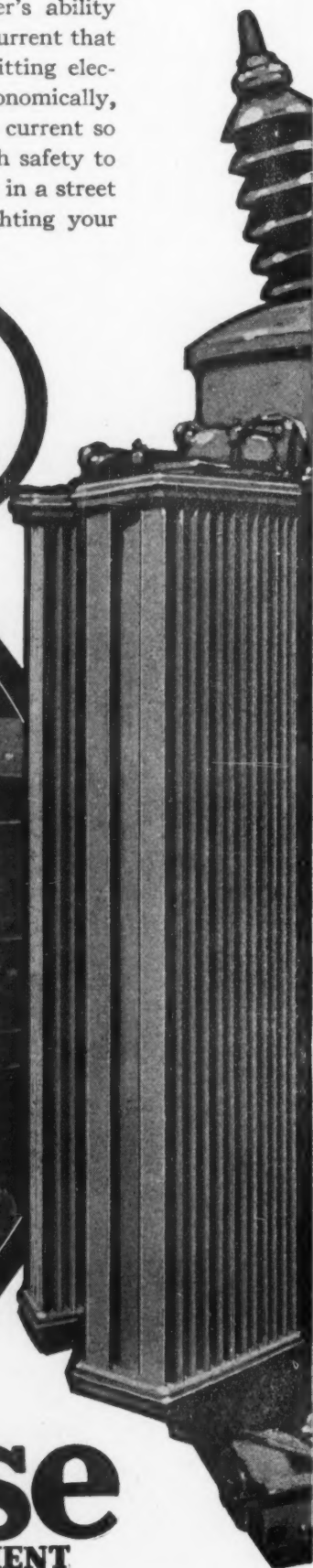
For it is the transformer's ability to change the intensity of current that has made possible transmitting electricity over long distances economically, then "stepping down" this current so that it may be applied with safety to the task of driving a motor in a street car or industrial plant, lighting your

As the city used to look in the days before the transformer revolutionized lighting and transportation.



Westinghouse

LINE AND POWER PLANT EQUIPMENT



—from Old to New

lamps or cooking your dinner in an electric range.

For the transformer as it exists today the world owes much to George Westinghouse and his associates. Through his foresight and ingenuity, a system of electrical distribution based on the transformer was developed.

In 1892, at Pomona, California, Westinghouse built the first line to transmit power at the previously unheard of pressure of 10,000 volts. Today

150,000-volt transformers are in common use and Westinghouse has produced others with capacity as great as 220,000 volts.

Whether it be a big power plant transformer or a much smaller one on a pole outside your home, remember the next time you see it that it is performing a task of immeasurable benefit to you and to all mankind.

WESTINGHOUSE
ELECTRIC & MANUFACTURING CO.
East Pittsburgh, Pa.



The city of today owes its bright lights and swiftly moving cars and trains largely to the transformer.



Westinghouse

LINE AND POWER PLANT EQUIPMENT

STEAM COALS SMITHING COALS GAS COALS ANTHRACITE COALS

Miners' Agents, Shippers and Exporters of
Anthracite and Bituminous Coals

*Shippers of the well-known VIKING, WENDELL and
SONMAN Steam Coals, also the YOUGHIOGHENY,
WESTMORELAND and FAIRMOUNT Gas Coals*

Exclusive Selling Agents for
Pennsylvania Smithing Coal Co's
Celebrated Smithing Coals

Wells Creek Smithing Coal

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Volatile Matter	17.87	Phosphorus	0.008
Fixed Carbon	75.50	B. T. U.'s	15,012
Ash	5.93	Fusing Point	2,781
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It's Still Ships!

Men who traffick up and down the sea lanes come together and make plans for the better use of the tonnage we have as well as overcoming the shortage of carriers

By N. SUMNER MYRICK

Vice-Chairman and Secretary Shipping Committee, International Trade Conference

THE most significant feature of the various conferences which the Shipping Committee of the International Trade Conference held with the delegates from abroad was the cordial good-will for the United States expressed by the foreign representatives. The important matters brought forward may be specifically summarized as follows: First, on the part of the English delegates the belief that international commerce would be furthered by the surrender of control of shipping by governmental authorities. Sir James Hope Simpson reflected this thought when he said that "we should get rid as soon as we can of government direction of shipping. One of the reasons why I support this suggestion is, that so long as our governments have anything to do with shipping, shipping disputes, instead of being a matter between individual owners, come to be a matter of dispute between nations. This is highly undesirable. I shall be glad when we get back to international normal conditions, where owners are competing against owners, instead of nations against nations."

Another suggestion made by the British delegates was that England and the United States might well cooperate in an effort to take over the trade formerly carried on by the Germans. This was expressed by Hon. J. G. Jenkins, formerly premier of South Australia, who said that "we must work together in the shipping interests of the world, because I feel that any agreement that may be made between America and Great Britain, so far as shipping is concerned, we can depend upon."

The importance that American coal has at the present time in the life and industries of certain parts of Europe was emphasized both in the case of Belgium, a coal-producing country, and, particularly, in the case of Italy, that is wholly dependent for this commodity upon the resources of other countries. Before the war Belgium imported gas coal from the North of France, but now this commodity is being largely imported from America, notwithstanding the extremely high freight rate of \$22 per ton.

Belgium's Grain

GRAIN is another commodity which Belgium is largely importing from the United States. Before the war the principal importations were from Roumania and Russia, although the United States supplied annually approximately 500,000 tons; but the cost of the wheat in the United States and high freight rates will reduce the importations as soon as the exports from Roumania and Russia are once more available.

The condition of Italy with respect of coal was described as being nothing less than desperate. By reason of the lack of coal, it is impossible to mine ores, to construct material with which to build ships, or to operate the railways, the service of the latter being

not more than one-third of that rendered prior to the war. Moreover, the prospective suffering among the people during the approaching winter, according to the Italian delegates, can be more easily imagined than described. That the Italians are alive to the necessities of their situation and are doing everything within their power to meet it, is partly evidenced by the fact that, whereas prior to the war all the coal that Italy imported was carried by foreign tonnage, at the present time nearly 65 per cent of the importation is being transported in Italian ships.

Those High Freight Rates

ECONOMIC conditions account very largely for this preponderance of Italian tonnage, since it is estimated that the coal shipped in Italian vessels pays \$16 per ton for freight as against \$32 to \$34 a ton required by the American ships. In this connection, it was pointed out to the Italian gentlemen that one reason for the excessive rate for American tonnage was largely due to the fact that Italy was not at the present time providing return cargoes and the ships were compelled to return to America in ballast. It is estimated that to fulfill her requirements, including coal, Italy must purchase a million tons of shipping, principally from the United States, if it can be obtained at a price per ton commensurate with the sum paid to England, which ranges from \$140 to \$150 per ton. By reason of her general economic condition, Italy does not feel justified in purchasing American ships at present prices.

The hope was expressed by the Italian delegates that some arrangement might be made by which American shipbuilders could furnish the material for the construction of both standardized and fabricated ships, and also that there might be an association of American and Italian capital in establishing subsidized steamship companies.

The attention of the committee was directed unofficially, by a pamphlet upon the subject issued by the Chamber of Commerce of Venice, to the deplorable condition of the Adriatic fishing fleet. At the beginning of the war with Austria, there were in this fleet 29,486 boats, manned by over 100,000 men and returning a catch valued at 20,000,000 lire, approximately \$4,000,000, under normal conditions. A large part of the fleet was commandeered for war purposes, and many of the boats were sunk to bar the entrance to rivers and harbors. Of the boats remaining, the damage sustained during the war is estimated at over two-thirds their total value, to which is to be added the loss of tackle, nets, etc. To replace these losses at present prices is beyond the ability of the fishermen themselves, and the hope is expressed that American capital may be induced to enter this field of investment.

The desires of the French delegates for

assistance from the United States, reflected in a statement prepared by M. de Pellerin de La Touche, president of the French trans-Atlantic line of steamships, was to the effect that the German ships which have recently been employed in bringing home our troops, and that are now temporarily in the hands of the Shipping Board, be allotted to France, and that some arrangement be made respecting the ships that were under contract for French owners in American shipyards at the time the United States entered the war, and that were requisitioned by the Shipping Board, so that France may receive this tonnage, and that liberal terms for payment under the contracts be established.

While definite action upon the various matters presented was impossible to the committee by reason of the limitations of time, such action having been referred to sub-committees for future consideration, it was the general consensus that the conditions developed at the conferences imposed a duty upon the United States that could not be avoided; that this duty involved a considerable spirit of self-sacrifice, of abnegation upon the part of the people of the United States, in order that their allies in the World War might be assisted in their efforts to reconstruct their industries and reestablish their economic stability. Without such assistance it was inevitable, it seemed, that great privation and suffering must ensue among many millions who have known hardly anything else than self-denial and suffering during the past five years.

The Country's Big Shipping Men

THERE follows the complete report of the Shipping Board, as read before the assembled conference. At the outset of this report it is not inappropriate to call attention to the fortunate composition of the committee, which included among its members an ex-president of the United States Shipping Board, a member of the Inter-Allied Transport Council in London during the war, the Assistant Director of Operations of the Shipping Board, and a number of the leading shipping men of the country. The full personnel was as follows:

P. A. S. Franklin, chairman, president International Mercantile Marine Co., 9 Broadway, New York City.

N. Sumner Myrick, vice-chairman and secretary, Mills Building, Washington, D. C.

C. W. Stowell, assistant secretary, Chamber of Commerce of the United States, Woolworth Building, New York City.

J. L. Ackerson, vice-president, United States Emergency Fleet Corporation, Philadelphia, Pa.

Edward B. Burling, Union Trust Building, Washington, D. C.

Hendon Chubb, Chubb & Son, 5 S. William Street, New York City.



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John R. Gordon, traffic manager, Union Sulphur Company, New York City.

Joseph P. Grace, president, W. R. Grace & Company, New York City.

A. H. Hull, president, Hull Steamship Company, 17 Battery Place, New York City.

Edward N. Hurley, 28 East Jackson Boulevard, Chicago, Ill.

J. Parker Karlin, 27 William Street, New York City.

George D. Ogden, Freight Traffic Manager, Pennsylvania Railroad Company, Broad Street Station, Philadelphia, Pa.

E. E. Palen, Assistant Director of Operations, United States Shipping Board, Norfolk, Va.

J. W. Powell, vice-president, Bethlehem Shipbuilding Corporation, South Bethlehem, Pa.

H. H. Raymond, president, Clyde Steamship Company, Pier 36, North River, New York City; president, American Steamship Association.

H. Birchard Taylor, vice-president, William Cramp & Sons' Ship & Engine Building Company, Philadelphia, Pa.

Shipping Needs by Countries

THERE was prepared for the committee, in advance of its first meeting, a large and varied amount of information bearing upon the subjects discussed. In consequence of the qualifications of the committee and of the technical assistance described, it was afforded such a comprehensive understanding of the various matters brought forward by the visiting delegates as to inspire their favorable comment.

"Separated from many matters that were suggested for consideration by the visiting

delegates, there are a number of outstanding facts to which attention is particularly directed.

"1. Belgium desires lower freight rates, and it was the suggestion of the Belgian delegates that if there were a free market for tonnage throughout the world, rates would fall and Belgium would participate in the advantage of the decline.

"There is a great question, however, if it is possible to free tonnage in the manner desired. England is in great need of foodstuffs. Indeed, it has been said that England's condition in this respect in the coming winter will be more severe than it was at any time during the war. Under these circumstances, it is hardly to be expected that British shipping will be left free to seek the most profitable trades, and until that permission is granted, obviously there can be no such thing as free tonnage.

"2. Italy, although she has lost heavily in tonnage during the war, is in a fair way of recouping these losses through the construction of new tonnage in her own yards, by purchases abroad, and by the acquisition of Austro-Hungarian tonnage that formerly hailed from Adriatic ports. Italy's great necessity is coal—coal with which to re-establish herself industrially; for the purposes of transportation, and for the health and comfort of her people. This necessity must be met, and it can only be met by America. Previous to the war, Italy imported over ten million tons of coal annually from England, and lesser amounts from France, Germany and the United States. But new importations from these countries, other than the United States, have so greatly diminished as necessarily to oblige Italy to rely almost wholly upon the United States. Un-

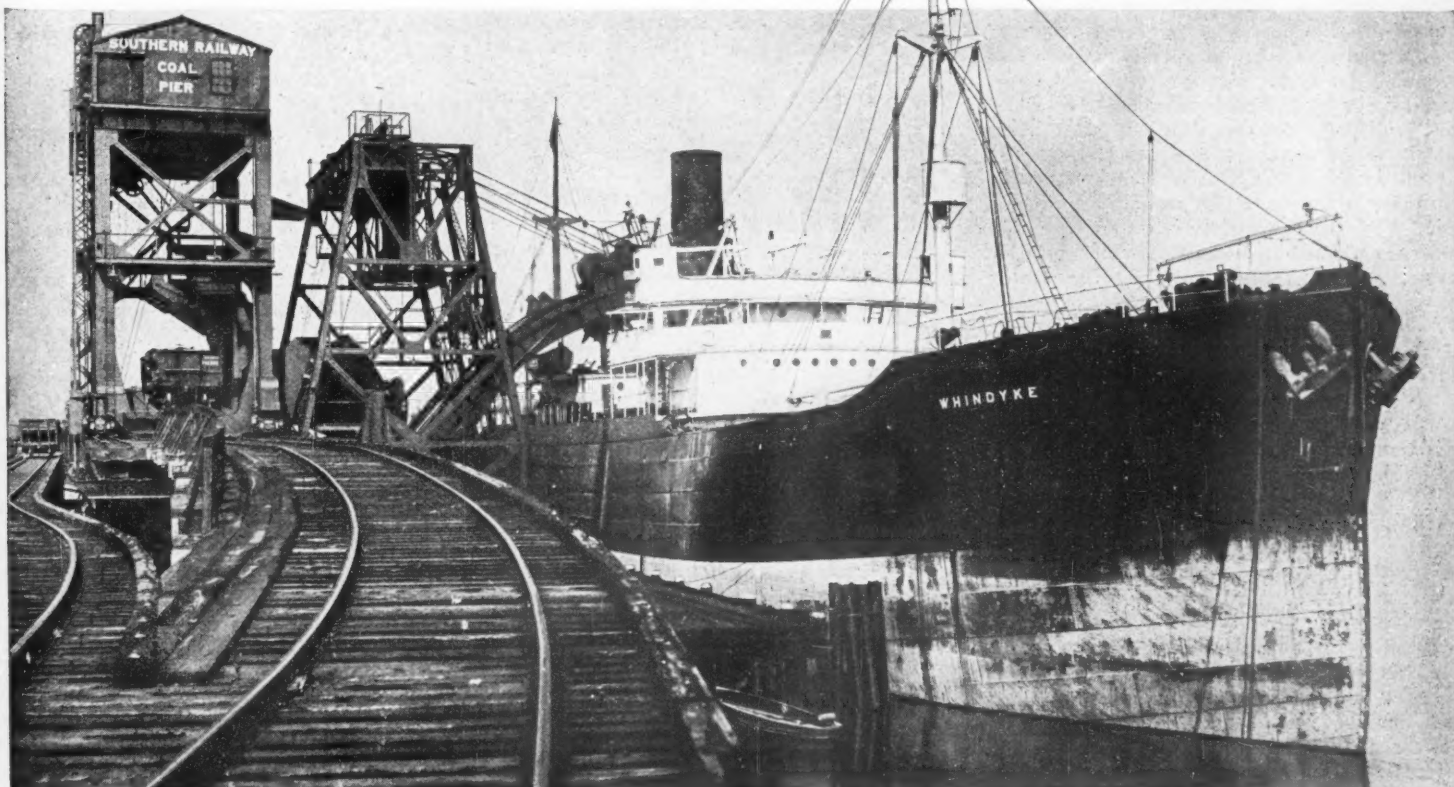
less the United States fulfills in this respect Italian expectations, there must necessarily result throughout Italy great distress. The committee, therefore, believes that it is of the highest importance that there should be a co-ordination of effort in the United States to come to Italy's rescue. It is with great satisfaction that the committee recognizes the fact that of all the nations in need of coal, Italy is contributing more largely than any other in providing for her own necessities.

"3. France is in need of tonnage and of shipbuilding materials. During the war, France was unable to make use of her shipyards for the construction of merchant tonnage because the yards had been devoted wholly to war purposes. After the beginning of the war, but before the United States entered the war, this tonnage was all requisitioned. Up to the present moment, no settlement has been made for the compensation of the private owners of that requisitioned tonnage. The claims of France alone, of all the nations similarly situated, have not been settled. The committee is advised, however, that the whole matter is the subject of present negotiation and that a satisfactory adjustment of these claims will soon be reached.

France Wants to Buy

FRANCE would like to purchase from the Shipping Board, or have built in American shipyards, several hundred thousand tons of her merchant ships; but even if this desire were promised fulfillment by the Shipping Board, the prices at which American Government shipping is now being held precludes any thought of selling American tonnage to France at this time. But these are matters to which the committee proposes to give consideration.

"4. The British delegates alone had
(Continued on page 108)



The question of coal and that of ships cannot be separated. American tonnage and fuel assumes more and more importance to the industries of Europe. Belgium used to buy

her gas coal just over the line in Northern France. Now this commodity is being largely imported from America at a cost of \$22 a ton. Italy also is now looking to us.

One Year After

Our Allies across the Atlantic are not holding their hands and waiting for something to happen; England, France, Belgium, Italy—all are steadily rebuilding the industries that war overturned

By O. K. DAVIS

Secretary of the National Foreign Trade Council

WHAT has peace brought to Europe? Here is a panorama of the Continent one year after the end of hostilities:

There is no unemployment in France, and the army raised for the war is wholly demobilized. Unemployment in Belgium has been reduced from 800,000 in January to 175,000, and is being further reduced as fast as machinery stolen by Germany is recovered.

Italy gained in labor supply during the war, despite the loss of more than 500,000 men killed or permanently disabled. The prohibition of emigration during the five years kept at home more than 2,000,000 men who otherwise would have emigrated.

The old French character—thrift and solidity—was not disturbed by the dreadful five years. France is chiefly an agricultural nation, and the hard-working, frugal, steadily saving French peasantry is still the same. The only material shift in labor that is occurring in France is an increased movement back to the soil. Men in the ranks of skilled labor who made high wages during the war are investing their savings in small parcels of land and becoming peasants. Peasants who sold their produce for high prices are using their savings to pay off the mortgages on their little farms and becoming landowners in fact.

Both in France and in Belgium there is no substantial menace of Bolshevism or Socialism. The people are anxious to get to work, and the chief need is material with which to do so.

Labor for Export

ITALY presents a different picture. The accumulation of labor through the prevention of emigration, and the depletion with which to provide employment, has made impossible the complete demobilization of the army. The chief item of export now available in Italy is labor, and as it is that can be accomplished it will be, until a more nearly normal situation is restored. With food insufficient in quantity and quality, with materials of industry scarce and high priced, with a great surplus of skilled labor facing unemployment, Italy's need for relief is very great.

These are the outstanding features of the picture of Europe today presented to the American Committee on Metals of the Industrial Conference by the Metals Committees of France, Belgium and Italy. It is a much more hopeful picture than any presented by the various unofficial reports received either through news channels or the accounts of returning visitors.

FOR years the flow of our metal supplies was toward the double strip of woven wire that traversed Europe. Now they are rolling the rusty strands on spools to clear it from the fields; the ploughshare grates against the buried shells. What do they need from us "over there" now? An American committee—formed by the International Trade Conference—gives the answer here. If you are familiar with the men who work in metals you will recognize the names of the personnel. They are: E. A. S. Clarke, chairman, president Consolidated Steel Corporation, New York, N. Y. O. K. Davis, vice-chairman and secretary, secretary National Foreign Trade Council, New York, N. Y. George H. Moseley, assistant secretary, Chamber of Commerce of the United States, Chicago, Ill. W. A. Bostwick, president, International Nickel Company, New York, N. Y. William Butterworth, president, Deere & Company, Moline, Ill. A. E. Carlton, mining engineer, Colorado Springs, Colo. E. J. Cornish, president, National Lead Company, New York, N. Y. Thomas G. Cranwell, president, Continental Can Company, Inc., Syracuse, N. Y. Walter Douglas, president, Phelps-Dodge Corporation, New York, N. Y. John P. Elton, vice-president, American Brass Company, Waterbury, Conn. B. F. Jones, Jr., president, Jones & Laughlin Steel Company, Pittsburgh, Pa. C. K. Leith, Madison, Wis. John W. O'Leary, vice-president, Chicago Trust Company, Chicago, Ill. Edgar Palmer, president, New Jersey Zinc Company, New York, N. Y. George N. Peek, president, Moline Plow Company, Moline, Ill. Eugene P. Thomas, U. S. Steel Products Corporation, New York, N. Y. Pope Yeatman, mining engineer, New York, N. Y.—The Editor.

There is more work to do in France than there are hands to do it. Work and workmen are nearly balanced in Belgium, and before very long the scales will be approximately even. Italy alone has more workmen than work, and thus presents the most acute case of need.

This need of Italy is for many things, but chiefly for food and for materials of industry. And, of course, credit, with which to obtain these supplies.

France, too, has need for foods and credit, but Belgium, despite all her sufferings, is amazingly well off. And it should not be forgotten that Belgium has 6,000,000,000 German marks—cash, such cash as it is—collected in her treasury, the total amount of German currency that was circulating in her territory the day the armistice was signed. She gathered it all in very promptly and is now waiting to see what is best to do with it.

Nor has John Bull changed a bit in character by reason of any of his experiences in the last five years; at least, nothing disclosed by the contact of the American Committee on Metals with that from the British delegation suggested any such change. He is the same shrewd, self-confident, self-reliant John Bull as of yore, facing a hard situation with determination to make it yield the utmost advantage to himself, asking no aid from friend or foe; bestirring himself to make the most of present opportunities and promptly to develop or discover others. He is prepared to buy what he wants in the market

where he can get the best price—Germany, if advantageous—to finance his transactions by borrowing in the open market; and even to make substantial loans himself, when they hold the prospect of advantageous trade.

But one thing John Bull does want from us, and he is very keen about it. That is information and instruction. He wants to know how to manufacture, for he has become interested in mass production. He has lost very heavily in labor, more than a million men, and he knows that his old methods will not enable him to get the production necessary to put him back in his old place in international trade. So he wants to see our factories and shops and mills and industrial plants generally, and he is very frank about saying so and asking for permits and guides.

France and Belgium, also, are interested in this subject. It may not be realized clearly in this country yet that production and yet more production is the real solution of the troubles we face; but they understand that in Great Britain, France, Belgium and Italy, and they are eager to produce.

That is the picture of Europe one year after the signing of the armistice, as given to the International Trade Conference's Committee on Metals. There are, of course, certain blank places on the canvas—one for great Russia, and another for the Balkans and the Central Empires. But on the whole it is a much more cheerful and satisfactory picture than we have been led to expect.

The Committee on Metals reports "that it has had full and frank consultation with the Committees on Metals representing the Belgian, British, French and Italian commissions, at which the situation in all these countries with reference to their needs for supplies of metals in order to effect the re-establishment of their industries was fully presented and freely discussed.

Europe's Not Yet Bolshevik

IN general, the reports showed a greater stability of labor conditions and less menace from social unrest than previous public information had indicated. These discussions also showed that the prospect for the complete re-establishment of industry in those countries is decidedly hopeful, provided supplies of raw materials and goods can be secured. So far as metals are concerned, it was disclosed that the requirements for France for the ensuing year are estimated at

(Concluded on page 91)



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The great door of the treasure cave opened slowly and before him Ali Baba beheld the treasure of Ancient Persia—silks, jewels and gold so old that no one could tell in what prince's reign it had been coined.

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One Year After

(Concluded from page 86)

100,000 tons of ship plates and 90,000 to 100,000 tons of copper.

"The estimates of their requirements submitted by the Italian committee included the following annual quantities over the next five years:

	Tons
Foundry pig iron.....	200,000
Plates and shapes.....	60,000
Ingots and semi-finished steel and rails.....	215,000
Scrap iron	100,000
Tin plates	5,000
Copper.....	15,000
Various other metals.....	10,000
Total.....	605,000

"There are under consideration in France and Italy plans for extensive electrification of railways, which if put into operation will require considerable additional supplies of copper over those stated.

"The Belgian requirements are limited to semi-finished steel and copper sheets, but the determination of approximate quantities needed is so dependent upon the rate of restoration of the Belgian works and the supply of necessary fuel as to prevent for the present the making of definite estimates.

"The meeting with the British delegation developed the fact that no specific requirements have been formulated, and that Great Britain expects to be able to obtain all the supplies of raw materials necessary for her normal trade without any special arrangements therefor. The British chairman stated that 'the object of America and Great Britain ought to be how best to utilize their outputs for the benefit of the devastated areas. Great Britain has already sent considerable consignments to the Continent in the way of metal goods for reconstruction purposes. We expect not only to be able to continue this, but also to increase the quantities.'

"Consideration of the situation presented by the French, Italian and Belgian committees disclosed the fact that the American industries either have, or are capable of producing, surpluses adequate to meet these requirements, provided satisfactory and effective means of financing the transactions involved are arranged. While to a certain degree and in some lines the American industry would be able to take care of a part of these requirements in normal commercial transactions, the aggregate of these requirements involving long credits is so large that, in the opinion of the Committee on Metals, some special financial machinery must be arranged in order to enable the satisfactory fulfillment of these requirements. In view of the fact that filling these requirements presents a problem beyond the scope of the normal financial machinery, it is the judgment of the Committee on Metals that some emergency legislation such as is contemplated by the Edge-Ackerman bill now before the Congress in Washington should be enacted.

"The utilization of such emergency facilities for financing exports would enable the American metals industries to meet Belgian, French and Italian requirements with the greatest possible dispatch and so contribute to the most prompt restoration of normal conditions in Europe."

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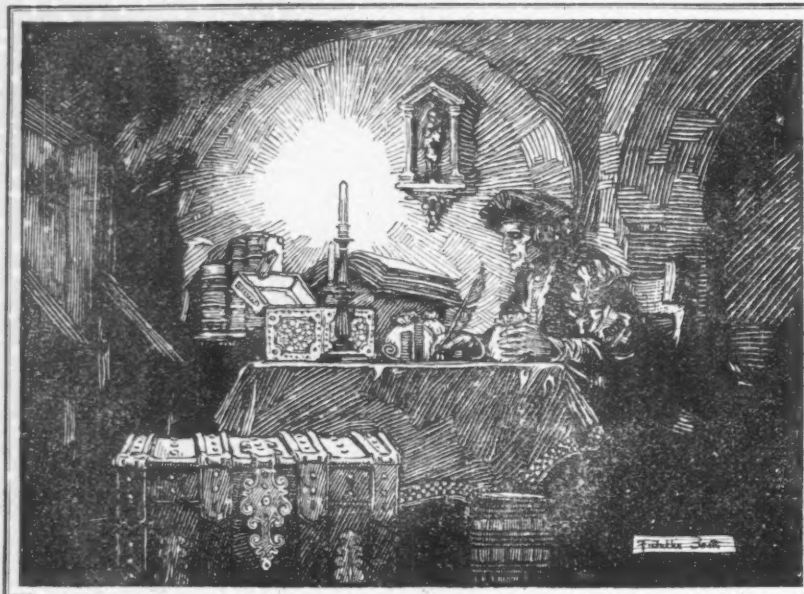
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In the sixteenth century, gold and silver were almost the sole mediums of commercial exchange. The merchant kept his idle money in a strong-box at home, or, for greater security, at the goldsmith's. Such unemployed capital earned nothing. It took nearly three hundred years to develop deposit banking, and the many other facilities offered by modern financial institutions.

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IMPORTANT as is the function of the modern bank in making possible the transfer of money through the use of credit instruments, it is only one phase of the service which it offers to the public. The wealth entrusted to the bank does not remain idle, like gold in coffers, but is constantly employed as a basis of credit in commerce and industry, and is thus in the continuous service of the community.

In keeping with this conception of modern banking, the Guaranty Trust Company of New York accepts deposits and extends credit, and seeks to employ its resources along broad, conservative lines to meet the needs of American business of today and tomorrow. It renders every service which comes within the scope of a complete commercial, foreign, and investment banking institution.

Guaranty Trust Company of New York

New York London Liverpool Paris Havre Brussels

Capital and Surplus	- -	\$50,000,000
Resources more than	- -	\$800,000,000

England Asks—

(Continued from page 79)

chant steamers in process of construction and we hope in time to overtake the terrible marine losses suffered during the war.

This aspect of the situation has a distinct bearing upon the question of your American mercantile marine; and I would like to say at once that we welcome the entry of America on a much larger scale than heretofore in the marine carrying trade of the world. We hope her great gains in that direction will be maintained, for we regard America as one of the most honorable competitors we can have. You can well understand that if a choice were put to us between German competition and American competition there could be but one answer to that question. Indeed, there is room for both of us on the high seas, and there is plenty of stuff to carry. The more ships each of us have to carry it the better for the world.

I would like to refer for a moment to the labor unrest. We find ourselves, owing to the war, in a very difficult position in regard to labor. My own experience has been that in spite of all the turmoil and strikes of which you read, there seems to be growing up a distinctly better feeling between masters and men.

Restriction a Calamity

THERE seems to be a recognition on the part of labor that restriction of output is a national calamity and a recognition on the part of the employer that the workman must have a greater share than heretofore in the profits of his work and in the social side of life. With the growth of that attitude on the part both of employer and employed I do not think it beyond human skill and wisdom to find a means of solving the difficulties confronting our country. We have suffered a severe loss of labor through the death of so many young men, but we have discovered a great reservoir of strength in the form of female labor, and when you add that consideration to the fact that we are now well equipped with machinery of all kinds, especially that we are employing more automatic machinery than we did before, I do not think we need to be anxious in England about the future of the labor problem.

Finally, we are faced with very heavy taxation. I think that every one in England will be poorer than he has been. At any rate, during the rest of my business life, I cannot see any chance of relief for the taxpayer. But I feel that if we are to carry out, as I know we will, what I have called the setting in order of our national finances, every taxpayer will have to bear a greater burden than he has yet contemplated, and a greater burden than he can bear with comfort. However, it will have to be borne and it will be borne, I hope, with cheerfulness and resignation.

To sum up: We are justified in the strong conviction that we shall recover our war damages, and fairly rapidly; but it will depend entirely upon working and saving on the part of individuals. Yet I feel confident that a country which has already passed through many a severe crisis will not succumb to the present one and that we may



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one you pay*

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International Cost Recorder



International Card Recorder

America's First Need is Better Health

By C. HOUSTON GOUDISS

*Publisher, The Forecast; Founder, The Forecast School of Cookery;
Food Director, The Mother's Magazine, and National Lecturer.*

The war showed that one-third of our young manhood is unfit for efficient fighting. This means that more than one-third of our population is unfit for efficient working. For no arbitrary age-limits apply to workers.

The records of the draft prove that this alarming inefficiency is due primarily to PREVENTABLE disease and physical defects.

So this is the hand-writing on the wall of every home in the land: AMERICA MUST WAGE WAR FOR HEALTH.

We must do this because "health is the first wealth"; because victory without vigor is valueless; because physical deficiency leads to mental and moral decay.

We must unitedly attack every stronghold of disease. For a long time we've been battling with tuberculosis and other communicable plagues, and with a gratifying measure of success in some instances.

NOW WE MUST USE GENERALSHIP OF THE HIGHEST ORDER, AND STRIKE AT THE MAJOR MENACE, THE CHIEF SOURCE OF NEARLY ALL SICKNESS—CONSTIPATION.

Because of its commonness, Constipation is accepted as more or less a matter of course by many persons. Yet it is, in effect, the most devastating of all diseases, for by reducing the body's power of resistance, it opens the door to every foe that comes along.

Constipation can be relieved by Nujol—a clear, tasteless, odorless, harmless, non-medical liquid which effects the required relief without in any way affecting any body organ or interfering with any body function. Not a particle of Nujol remains in the body. And Nujol relieves Constipation and will prevent its recurrence. So Nujol today is a national need.

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REG. U.S. PAT. OFF.
For Constipation

SICKNESS PREVENTION



look forward with confidence to our economic future.

We came here partly to tell our needs, and I am glad to say our needs can be summed up in a very short sentence.

We need the continued supply of raw materials from the United States and all we ask is that you continue to show the confidence in individual business men that you have hitherto shown. If you found that you could trust them in the past we ask you to trust them in the future. I will give you an illustration of the meaning of that. A cotton merchant importing into Liverpool cotton from the United States has to consider what that cotton will cost him. Naturally he does so before he orders the raw cotton from you; and I ask you to believe that when he placed the order with you, however adverse the exchange, however high the price of the cotton, you may assume that he had made his arrangements for paying for that cotton. He would not have ordered it unless he had seen his way to meet the bill. Therefore we ask that the United States shall continue to supply raw material to our individual merchants and importers in a normal and usual way. We are not asking on behalf of the commercial community of Great Britain for any other special form of credit.

Labor in England

IN August Lloyd-George issued a very interesting summary of the British Government's position on the great questions of labor, etc. Today in face of the great world unrest that has even penetrated to our own country it may be valuable to reexamine the decisions of England in regard to labor. They are as follows:

1. *Wages and hours.*—A bill has been introduced dealing with hours and wages based upon recommendations of the Joint Committee of the National Industrial Conference. The principles of this bill are (a) the establishment of a national maximum working week of 48 hours, except in certain industries with special conditions, such as agriculture, the merchant marine, domestic and outdoor service; (b) the establishment of a living wage throughout industry.

2. *Conditions of work, sharing in profits, and unemployment.*—There are three aims which the Government is anxious to see achieved, viz:

(a) The promotion of a larger degree of cooperation between workmen and employers in the determination of working conditions, and in this connection the development of the system of Whitley committees.

(b) Securing to the workers more generally a financial interest in the success of the industry in which they work.

(c) Adequate provision for and satisfactory arrangement regarding unemployment.

The Government would prefer to deal with the question of unemployment on the basis of agreed recommendations by the Joint Committee of the National Industrial Conference, which has so far failed to agree on any proposals. Failing such agreement, it may become the duty of the Government to put forward proposals in the name of the whole community.

3. *Housing.*—Three acts passed by the present Parliament—the housing act, the land-acquisition act, and the ministry of transport act—will in combination provide the means of dealing with the problem of housing along proper lines, by the creation of houses outside congested cities, and the provision of transport facilities to bring the workers to and from their work.



WILLIAM C. REDFIELD

Ex-Secretary of Commerce

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Which Is the Debtor?

(Concluded from page 19)

inspiring in the very bigness of it. We should not care about it so much if it were a small not care about it if it were a small job.

That is one step toward the solution of this great problem. We must wait for our payments. Thank God, we can afford to wait. We must prefer to wait. For our friends across the seas cannot wait, and we must be prompt, quick and generous to deal as friends with friends, and not as hard misers with those who are in need.

I have seen three or four cases of loans abroad within the last month or two which filled me with shame. We cannot for our very profit's sake treat our late allies other than as brothers. We must look far along the line to the profit of the future and not to the grasp and gouge of the present. The profiteer has no place in this job. This is a case of helping brethren to their feet; and, if we do that, they, being brothers, will respond as brothers should. Let us look to the building up of a good will for America. All around the world business men are dealing as Christians and gentlemen with brethren in distress. It might please some narrow-minded group of directors if from some loan made at extortionate terms came a considerable profit; but the credit of America and her ultimate wealth would suffer by it.

Are we to go without reward for service? Not at all. The gentlemen with whom we deal do not accept service without reward. Let it be a due reward for due service rendered in the spirit of brethren. Many of our factories, many of our public utilities, many of our railways were built with money loaned by France, by Great Britain, by Holland, by Belgium, by other countries. We took it in by the billion dollars when we were in need. We could not have developed our great economic structure without their help. "Turn about is fair play." They did not gouge us and we will not gouge them.

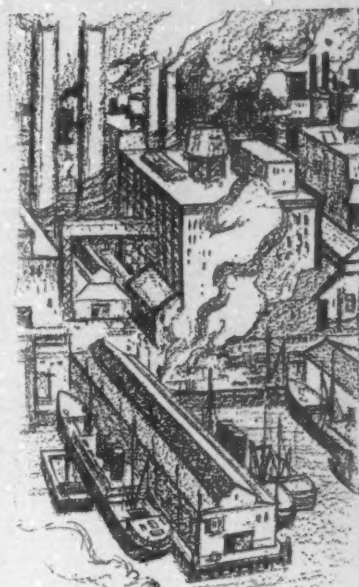
But there are three sources of profit possible to us and normal to us. One, the righteous, normal interest on the investment itself. Second, the business which normally will flow from the operations carried on by American capital abroad; and, third, the business which normally follows as we build up patiently and well the countries abroad. This is not charity—unless we give charity its ancient meaning of love.

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WITH only 6 per cent of the world's population and only 7 per cent of the land, the United States produces:

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A Tank Car an Hour

Listening in on Congress

(Continued from page 27)

out the country read his able speech and his splendid report on this bill, that if a letter should be addressed to the "Hon. Pearl Button" it will be promptly delivered to him. [Laughter.] There will be no need hereafter in having people address him as "Hon. William Raymond Green, of Council Bluffs, Iowa." "Hon. Pearl Button" will be all sufficient, and it will go right straight to him. [Laughter.]

Mr. VAILE: I might suggest to the gentleman that it would not only help me in my district, but elsewhere, if I were to be known as "Tungsten Vaile."

Mr. KITCHIN: Well, you did not know enough about tungsten to deserve that name. [Laughter.]

Mr. TILSON: As these Japanese pearl buttons are so cheap, would it not save time and expense just to sew a pearl button on the envelope? Would not that reach Judge Green just the same? [Laughter.]

Mr. OSBORNE: I would inquire of the distinguished gentleman from North Carolina whether Judge William D. Kelley, of Pennsylvania, was not in his day of the ablest and most distinguished and most scholarly members of this House?

Mr. KITCHIN: Yes; and so is my distinguished friend, Judge Green, of Iowa. [Laughter.] But the name "Hon. Pearl Button" will add to his distinction. [Laughter.] I think he now has the degree of LL.D., conferred by a great university. Now, by his able championship of the pearl-button tariff, the manufacturers of pearl buttons are going to confer on him the additional degree of "P. B." [Laughter.]

Europe and Henry Smith

(Continued from page 31)

There is no lack of vision as to the deep and far-reaching significance of the problem, not only from the point of view of America, but from the point of view of the world. But your committee has found the utmost diversity of judgment and opinion among thoughtful men of wide experience in these matters as to the proper measures to be taken. And this is not unnatural. The world situation today presents the greatest financial problem of history. Never in peace or war has there been a situation involving on the one hand such a variety of widely divergent requirements, and on the other hand such a complication of difficulties in the way of meeting those requirements promptly and soundly.

"And yet, with the very difficulty of the problem there goes a challenge to the skill, the ingenuity and the public spirit of America. Business men and bankers can meet this situation if they have the active support of the nation, of labor, of the farmers, of the professional men and women, and of the press, and the sympathetic cooperation of public officials. It is a matter for study, for wise counsel, and for action which shall move forward in a sure and conclusive way, because it is a right way.

"Looking to the future, it is a subject which must be approached so as to meet not only the urgent needs of the moment, but also to lay the foundations for a broad, accurate and world-embracing knowledge, on the part of Americans, of foreign investment. Our American necessities have very properly occupied our minds during the few crowded generations in which we were building a great nation across a wilderness of forests and prairies. But increasingly in the future, business and finance must be regarded from the point of view of the rights and responsi-



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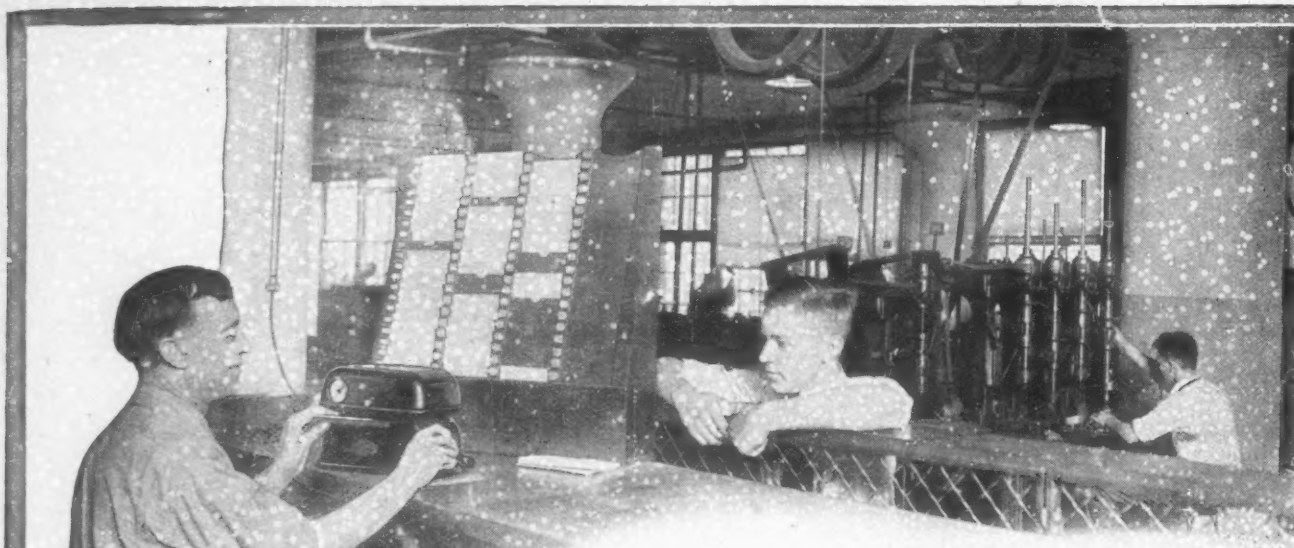
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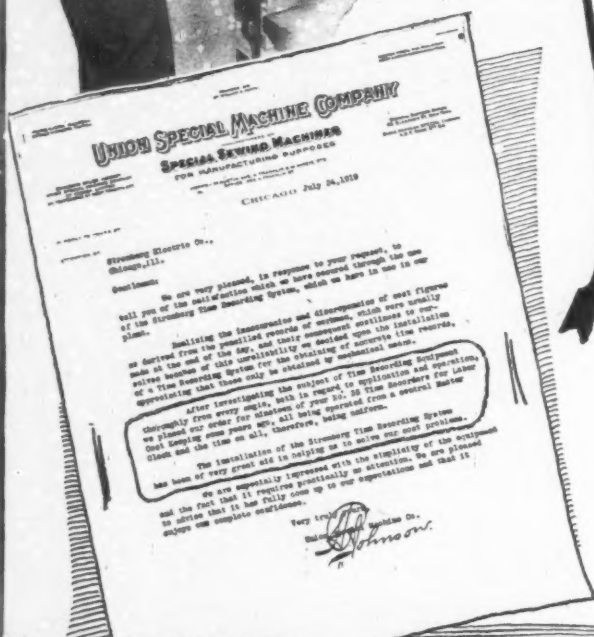
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bilities of all the peoples of the world. Economic isolation is today a contradiction in terms. If we do not now prepare to do our share in this situation, we shall most surely find in another generation, when the world has resumed its orderly course of business, that America has not held her proper position in world affairs.

"Your committee believes that the understanding in this country of this situation has been distinctly advanced by the work of the present conference.

"This committee has finished its work. But the great problems presented require continuous study and coordination. Therefore, your committee recommends that a new committee shall immediately be appointed by the Chamber of Commerce of the United States to carry on the work initiated at this conference, and to put to practical use the material accumulated here. It is felt that the new committee should represent the responsibility of the entire country in meeting this national emergency. It should be so constituted, either in its full membership or through a sub-committee, as to be able to devote at once a substantial amount of time to the work in hand, to consult with all the interests involved, and to keep at the job until it is finished. Members of your present Committee on Credit and Finance are prepared to join with this new committee if desired. We believe that your new committee will receive the active cooperation of the country, and that it can proceed to the actual definition and effective working operation of the practical measures necessary."

James S. Alexander, chairman, president National Bank of Commerce in New York, New York, N. Y.

Guy Emerson, vice-chairman, vice-president National Bank of Commerce in New York, New York, N. Y.

Fred N. Shepherd, secretary, Chamber of Commerce of the United States, Washington, D. C.

M. B. Trezevant, assistant secretary, Chamber of Commerce of the United States, New York, N. Y.

John T. Webber, assistant secretary, Chamber of Commerce of the United States, Chicago, Ill.

Alfred L. Aiken, president, National Shawmut Bank of Boston, Boston, Mass.

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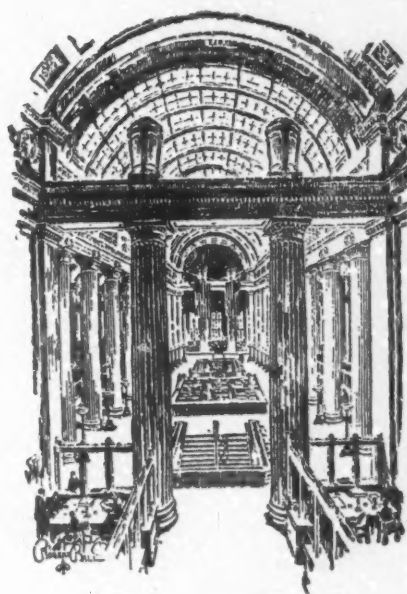
Charles S. Caldwell, president, Corn Exchange Bank, Philadelphia, Pa.

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BEING the largest producers of shipping boxes in America, our facilities are concentrated on the production of boxes of the most improved types—boxes that assure safe delivery of merchandise to its destination.

Our service has as a basis the ownership of thousands of acres of standing timber used in all kinds of box manufacture, logging camps, saw-mills, paper mill, and box factories situated in various parts of the country in favorable locations both for raw material and for distribution of the finished product.

Our research department is a thoroughly modern laboratory equipped to solve every shipping box problem. It is in charge of specialists whose one aim is to build better and stronger boxes which are commercially practicable.

Our box tests and our records are open to manufacturers who wish to improve their shipping departments. Consult us. Our facilities offer immense savings in shipping box economy.

"Boxes," a practical and valuable monthly magazine on shipping problems, mailed to you regularly without charge.

CHICAGO MILL AND LUMBER COMPANY

Box Makers

2066 Conway Bldg., 111 W. Washington St.
Chicago, Ill.

Consult us. Witness the tests. Let us co operate with you in your shipping box problems. We have the box that will exactly meet your needs.

The drop test

The box is packed with the actual contents as in service and is dropped from a predetermined height directly on the corner. This test is repeated on different corners until the box fails to hold its contents.

This is a good test for comparing the strength of one box with another

We make these types of boxes

Solid Fibre
Corrugated Fibre
Wire Bound
Hinge Corner
Wooden (*made up or knocked down*)



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Albert D. Graham, president, Citizens' National Bank, Baltimore, Md.

I. W. Hellman, president, Union Trust Company, San Francisco, Calif.

A. Barton Hepburn, chairman Advisory Board, Chase Nat'l Bank, New York, N. Y.

Louis W. Hill, chairman, Board of Directors, First National Bank, St. Paul, Minn.

E. D. Hulbert, president, Merchants' Loan & Trust Company, Chicago, Ill.

C. T. Jaffray, president, First and Security National Bank, Minneapolis, Minn.

Cornelius F. Kelley, president, Anaconda Copper Mining Company, New York, N. Y.

Alvin W. Krech, president, Equitable Trust Company, New York, N. Y.

Mills B. Lane, president, Citizens' and Southern Bank, Savannah, Ga.

William A. Law, president, First National Bank, Philadelphia, Pa.

George C. Lee, Higginson & Company, Boston, Mass.

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Arthur Reynolds, first vice-president, Continental & Commercial National Bank, Chicago, Ill.

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W. S. Rowe, president, First National Bank, Cincinnati, Ohio.

Levi L. Rue, president, Philadelphia National Bank, Philadelphia, Pa.

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J. Festus Wade, president, Mercantile Trust Company, St. Louis, Mo.

F. O. Watts, president, Third National Bank, St. Louis, Mo.

F. O. Wetmore, president, First National Bank, Chicago, Ill.

Robert Winsor, Kidder, Peabody & Co., Boston, Mass.

Convalescence

(Continued from page 15)

contrary, the infinite resources of indomitable determination.

Our old nations that have known so many vicissitudes contain within themselves mys-

DENBY MOTOR TRUCKS

A SUPER-MODERN mechanical product, using power locked up since the world was young; making highway and by-way once more a dependable channel for the constant interchange of the products of human skill and labor; unfaltering, dependable, admirable in its effortless efficiency.

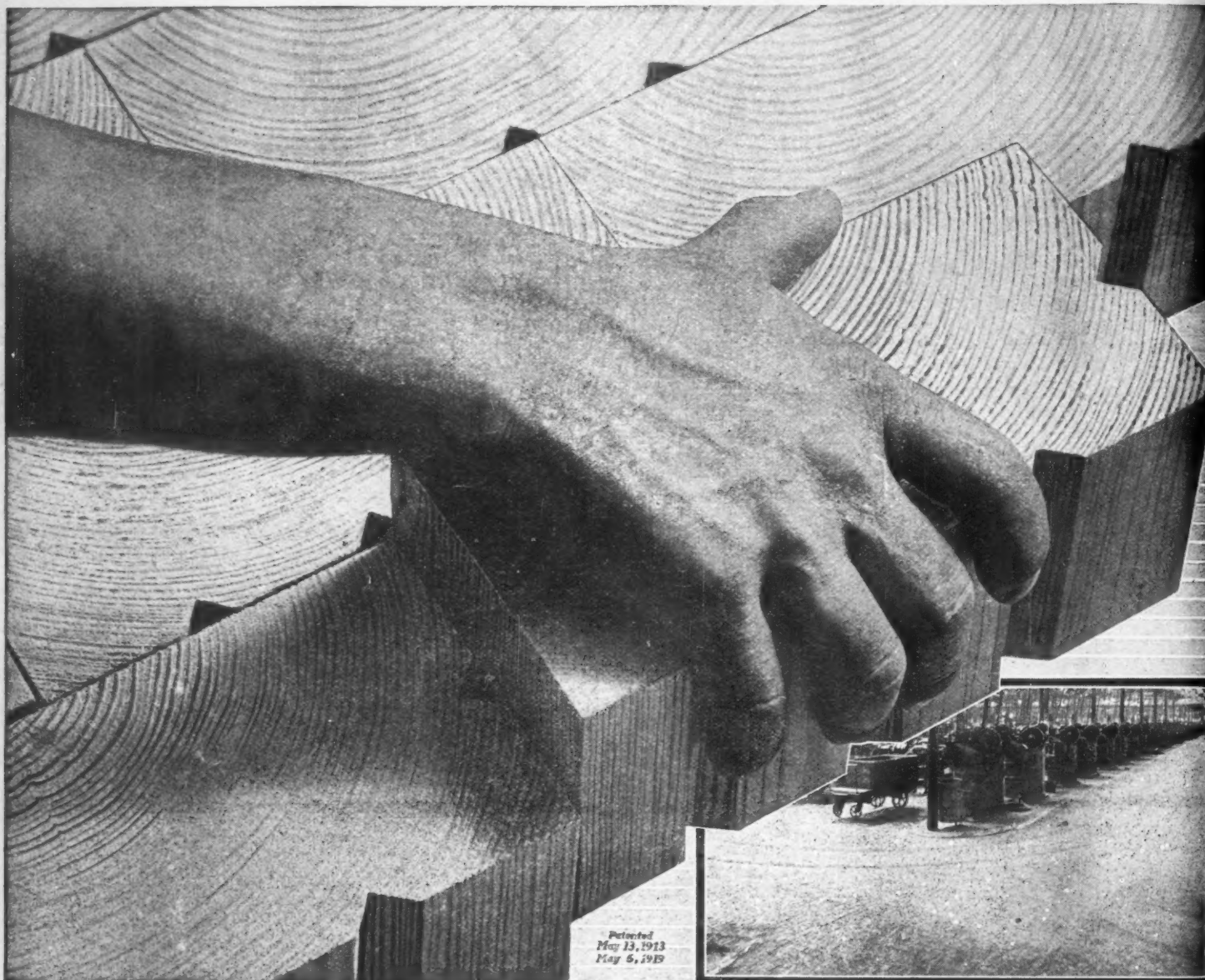
**Denby Motor
Truck Company**

Detroit



KREOLITE WOOD BLOCK FLOORS

Outlast the Factory



Patented
May 13, 1913
May 6, 1919

Machine Shop of Reo Motor Car Company, Lansing, Michigan

The One Permanent Factory Floor

ABOVE all things, *permanence* is most indispensable to factory floors.

Many manufacturers install Kreolite Wood Block Floors primarily for their endurance.

Yet, Kreolite Floors have many other desirable features. They are resilient, quiet, warm and comfortable under foot. They have no substitute.

Long laboratory research has resulted in the discovery of valuable preservatives with which the blocks are impregnated by our patented process.

The exclusive design of the blocks allows openings between them. When

these are filled with Kreolite Pitch, the floor is bound securely together, with adequate allowance for expansion and contraction between the joints.

In laying, only the tough end grain is exposed to wear.

The Reo Motor Car Co., of Lansing, Michigan, is one of a number of prominent manufacturers which have replaced their composition floors with Kreolite Blocks, after other floors had failed completely.

This was accomplished without interfering with production.

Kreolite Floors of special groove type

blocks were laid in sections, until a total of 307,242 sq. ft. was installed.

Their satisfaction is expressed by Frank Stolte, Superintendent of Buildings, who says, "Kreolite Floors stand up perfectly under service and are impervious to cutting compounds."

To all manufacturers and others interested we extend the services of our trained staff of engineers, always ready to co-operate without obligation.

We will also send out book, containing valuable data on factory floors, upon request. Address all communications to the main office.

The Jennison-Wright Company, Toledo, Ohio

Branches: New York, Chicago, Philadelphia, St. Louis, Boston, Cleveland, Detroit, Toronto and other principal cities

Tycos Temperature Instruments INDICATING-RECORDING-CONTROLLING

DON'T waste your own time trying to solve temperature and pressure problems that we have already solved.

There is a Tycos Temperature Instrument that will give you dependable knowledge of the temperature factor in your business.

And our many years of study of industrial temperature and pressure problems enables us to give you a service that assures you of an instrument which meets your specific needs exactly.

At the left we list a few of the many different kinds of temperature and pressure indicating, recording and controlling instruments that we make. Complete information on these or any other type of instruments of that nature on request.

If you have a particular problem of your own that demands special analysis, our industrial experts are at your service.

Tycos Mercurial, Recording and Index Thermometers for All Industrial and Laboratory Applications

Electric Contact Thermometers.

Temperature, Pressure and Time Regulators.

Mercury Column Vacuum, Pressure and U Gauges.

Tycos Base Metal, Rare Metal and Radiation Pyrometers (Indicating and Recording), Fery Radiation Pyrometers.

Hygrometers, Hydrometers.

Mineral Oil Testing Instruments.

Laboratory Engraved Stem Thermometers.

Coal Oil Testing Instruments.

Aneroid and Mercurial Barometers.

Recording Barometers.

Pocket Compasses.

Surveying Compasses, Rain Gauges.

Anemometers and Air Motors.

Thermographs, Hand Levels.

Aviation Barometers and Inclometers.

Altitude Barometers.

Tycos Sphygmomanometers.

Thermometers of all kinds for home, hospital and general use.

Taylor Instrument Companies
Rochester, N. Y.

There's a Tycos or Taylor Temperature Instrument for Every Purpose



terious forces which come to light in time of peril. Do not be mistaken. Ours is but a temporary weakness. We are bound to recover. In only one case would it be permissible to despair—if we had no consciousness of our condition, or if, having the consciousness, we took our condition for granted with hearts resigned and arms crossed.

A Mistaken Impression

WE were told that, among those who have recently been in Europe, some have returned with the impression that France seems the most weakened. Is it not because for five years thousands of square miles of her territory were the battlefield of the world and because it was she who made the greatest and longest sacrifices? For the last six hundred years it has been said that France is lost! The saying was current at the time of the Hundred Years' War. It was repeated after the religious wars of the sixteenth century. It was repeated after the Revolution. It was repeated again in 1870. Yet, every time, she springs up younger and stronger than ever!

The land of Joan of Arc, Henri IV, Napoleon, cannot perish; nor can that country perish which has given birth to the blue-coated, blue-helmeted, mud-bespattered warrior, the wonderful and immortal "poilu." The words of a French general, whom you all know, may be applied to the undaunted spirit of France. When the flower of the German army was hurled against the 20th Army Corps in the first battle of the Marne, the great Foch, then only a divisional general, wired, in reply to the anxious inquiry of the commander-in-chief: "Enemy pressing on my right and breaking through my center; maneuvering out of question; am taking offensive."

The question is, therefore, not whether we shall recover. Recovery is certain and those who put their trust in us will not be deceived. The question is: How long will it take us to recover? With America's help, recovery will be speedy; without it, recovery will be a more difficult and lengthy process.

I am convinced that the United States cannot hold aloof from Europe.

For the sake of American trade and industry, for the sake of the loans you have made to us, for the sake of helping Europe to start production, for the sake of sweeping away discontent and consolidating peace, and for the sake of preserving and increasing American prestige, you will surely work with us.

Behind us stand nations whose guardians we are, because we have freed them from oppression. Let us not separate our cause from that of the Czecho-Slovaks and the Poles and the Jugo-Slavs. When we speak of our recovery, we think also of theirs. By helping us, you are helping them.

To the Chamber of Commerce of the United States is due the credit of foreseeing and understanding the present situation, and it has shown the American people the road to follow.

The occasion that brought us together at Atlantic City will remain a memorable one, for there will be no real peace, no resurrection in the world as it is, if the peoples of the allied and associated nations do not get into close touch, exchange views, compare notes, and add the ties of business to those of sympathy.



Give Securities for Christmas

Thoughtfully selected securities of long maturity are semi-annual reminders of the far-sighted generosity of the giver.

From our list of high-class securities which reflect expert judgment of sound values, you may select gifts that one may be proud to have and to hold.

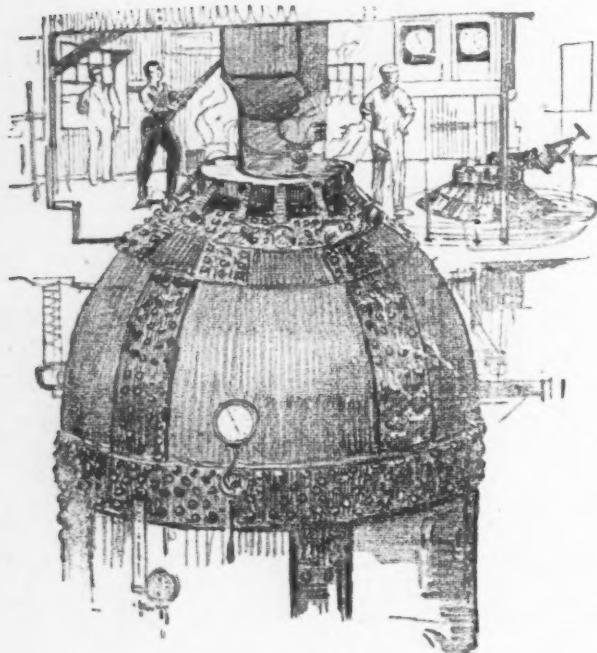
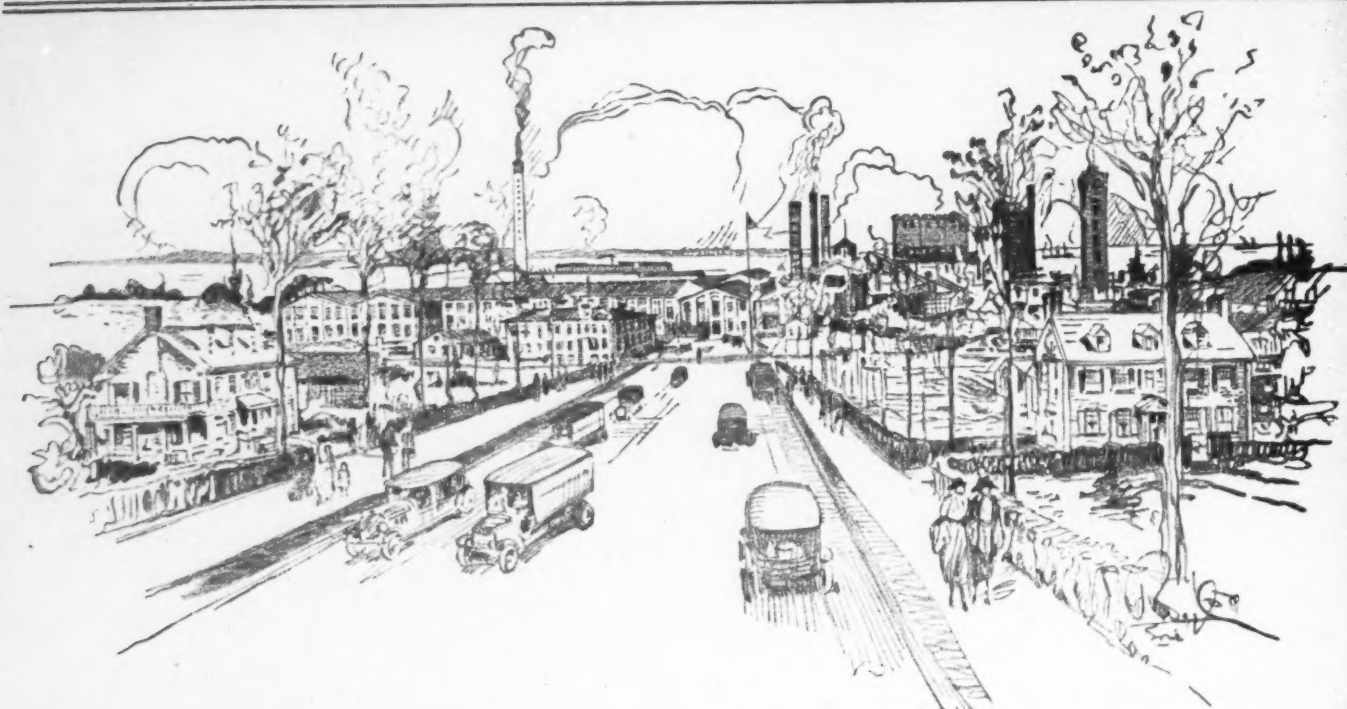
For the list, we suggest you write promptly for H-112.

The National City Company

National City Bank Building
NEW YORK

Correspondent Offices in Over 50 cities

Bonds Short Term Notes Preferred Stocks



When Your Workers

Do you know, from your own experience, what this means? Its effect on your business?

Your output keeps hitting new high figures, and as for quality, you don't need to give it a thought. You know it's at the highest notch, and will stay right there, because every man on the payroll is making it his particular business to see that it stays there.

Here at Hammermill are men whose chosen work is the making of paper, and whose pride is the making of good paper.

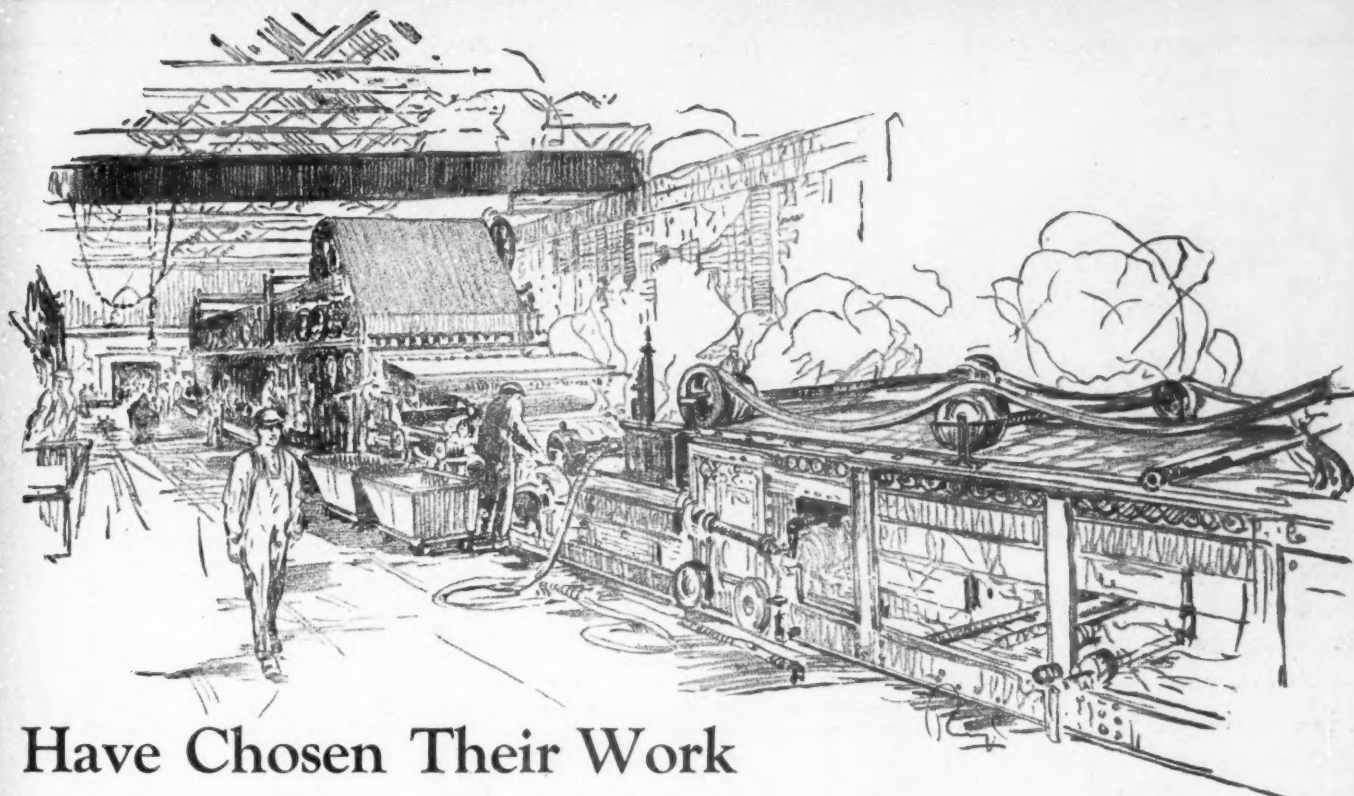
Some of these men came to us twenty-one years ago, and joined hands with us in the production of the first carload of paper that bore the Hammermill watermark.

Sons and daughters of these men are working with us today. They come to us because what they hear of Hammermill in their homes makes them think it is a good place to spend their working hours. They soon discover why there is a real joy and a real satisfaction in the work at Hammermill. They find that promotions are made within the plant, from the ranks of the workers, and that Hammermill employees share in the profits of the business.

Look for this watermark—it is our word of honor to the public

HAMMERMILL BOND

"The Utility Business Paper"



Have Chosen Their Work

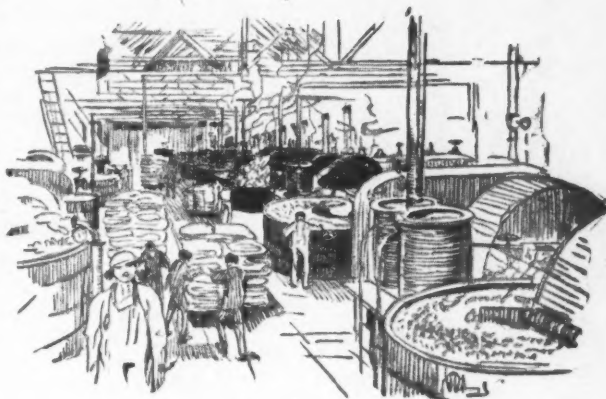
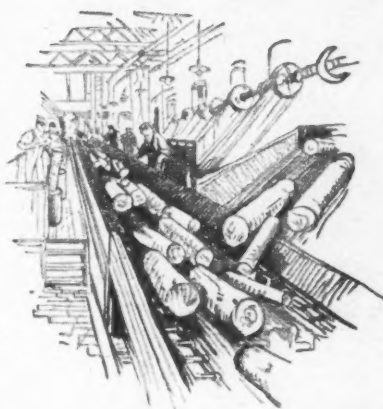
They learn that each one has his important part in a great industry, and that all of us, here at Hammermill, take equal pride in maintaining the quality of the paper that bears our watermark.

The cleanness of Hammermill Bond, its crispness and toughness, its perfect surface for writing, typing, and printing, result from constant watchfulness by *every worker at Hammermill*, keen attention, by each and all, to every minute detail that enters into the making of good paper.

Because our workers at Hammermill take pride in their work we say to you, "This watermark is our word of honor to the public," feeling confident that our product cannot fail to justify our assertion.

The spirit of the mill stands back of our word of honor. Because the hearts of a thousand workmen are in their work, Hammermill Bond has the dependable quality that makes it a standard of value by which other papers are measured. This quality has made it the most widely-used paper in the world.

HAMMERMILL PAPER COMPANY, Erie, Pa.



Look for this watermark — it is our word of honor to the public

HAMMERMILL BOND

"The Utility Business Paper"

The Working World Wants Oil

"Every barrel of oil added to the world's daily production means Power added to the great effort now necessary to re-establish the industries of the world."



We MAKE the machines
that DRILL the wells that
PRODUCE the oil that
the WORLD needs

Oil Well Supply Co.

Main Offices:
PITTSBURGH, U. S. A.

New York Los Angeles San Francisco
Tampico London

A Business Proposition

(Concluded from page 21)

necessity of the greatest possible number of people doing a day's work and of the greatest possible conservation of the results of that work. The motto "work and save" represents in every sense a national necessity.

The Federal Reserve Board has declared that the whole situation is one that can be met only if the necessity of working and saving is "taken to heart by every class in the nation and made its guiding principle until the trying conditions left by the war are finally surmounted."

That this view is officially shared abroad has been manifested in many ways. Our Government officials emphasize particularly the words of the British Chancellor of the Exchequer who, in presenting a recent budget, said:

Wealth—in Figures

THE deposits at the joint-stock banks have more than doubled. The position of these banks, judged by every approved criterion of sound banking, is stronger than it ever was before, but the securities—British government securities standing behind the deposits, standing behind the legal-tender money—represent to a large extent not existing wealth, but wealth consumed in the operations of the war, which it must be our business to replace out of the exertions of the present. Both are drafts on future labor, on the future creation of wealth."

We may as well face the fact that the majority of our loans to the nations of Europe are secured at the present time solely by the probability of future productive work. The people of Europe can repay these loans made to them by the people of America only by producing raw materials and manufactured articles, by saving, by sound policies of taxation. The same policies must and will be adopted in the United States. But the world situation cannot be helped one iota by all the planning and discussion and clear thinking of the combined bankers and business men of the world unless all the peoples of the world return to their healthy and normal tasks and begin to do a day's work. We must stop leaning on our governments and depend upon ourselves.

It's Still Ships!

(Continued from page 85)

no request to make for material support from the United States in the re-establishment of her merchant marine and overseas trade, except the good-will of the American people. Honorable competition on the part of the world was heartily invited in the belief that there was ample room for both.

"It early appeared to the committee that an adequate consideration of the problems herein briefly set forth was impossible during the life of this conference. There are too many interests involved to be reached and brought within a possible field of co-operation to permit of any specific action at this time. In view of this circumstance, therefore, the committee has appointed two sub-committees, one to deal with all of the problems, save that of coal, that have been presented, and another to devote itself exclusively to the coal question, particularly as it affects Italy. This latter sub-committee is to act in co-



**"Work, Produce
Co-operate and
SAVE
to cut living cost"**

Council of National Defense

ON Oct. 5th, the United States Council of National Defense said, "Our common duty now, fully as much as in the war, is to work and to SAVE."

To spend wisely is to save sensibly. That is, spend today with a definite insight into the future, spend where economy is certain and substantial.

The many merchants throughout the United States who issue **SA** Green Stamps as a discount are offering one of the most practical opportunities to save. Practical because these tokens are received by housewives on their regular, everyday purchases and therefore no sacrifice is made in order to enjoy the economy.

In all walks of life you'll find enthusiastic collectors of **SA** Green Stamps, because human nature recognizes no barrier and the great popularity of these tokens is easily traced to their thoroughly human appeal.

In the heart of the home and the tributaries of trade, their true worth and service is known—to know this service is to endorse it. MILLIONS DO.

The Sperry & Hutchinson Co.
2 West 45th Street New York

operation with a sub-committee of the Coal Committee. Already the two committees have had a preliminary meeting; and it may be affirmed with considerable assurance that if the tentative plan of procedure marked out is carried into effect, it will result not only to the very great benefit of the Italian people, but will contribute to the establishment of a coal trade with the Mediterranean ports that will be of so great advantage to the United States in the years to come as alone to justify, from the viewpoint of an American citizen, calling this conference."

"In conclusion, it may be stated that the committee was made up of sixteen extremely busy men, and that fifteen of them were present at practically every session."

ON page 48 of the November issue of THE NATION'S BUSINESS was printed the following statement:

"The Bank of North Dakota, a financial organization created by the Non-Partisan League, has sold \$3,000,000 in bonds to New York and Chicago capitalists to finance various State enterprises."

This information was obtained from a source in which we had reliance. The statement has now been questioned from another source. At the time of going to press we have made enquiries which have not brought us any confirmation of the statement published in the November number.

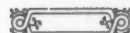
STATEMENT of the Ownership, Management, Circulation, Etc., required by the Act of Congress of August 24, 1912, of The Nation's Business, published monthly at Washington, D. C., for October 1, 1919.

District of Columbia, City of Washington, ss.: Before me, a Notary Public in and for the State and county aforesaid, personally appeared Merle Thorpe, who, having been duly sworn according to law, deposes and says that he is the Editor of the Nation's Business, and that the following is, to the best of his knowledge and belief, a true statement of the ownership, management (and if a daily paper, the circulation), etc., of the aforesaid publication for the date shown in the above caption, required by the Act of August 24, 1912, embodied in Section 443, Postal Laws and Regulations, printed on the reverse of this form, to wit: 1. That the names and addresses of the publisher, editor, managing editor, and business managers are: Publisher, Chamber of Commerce of United States, Washington, D. C. Editor, Merle Thorpe, Washington, D. C. Managing Editor, F. S. Tisdale, Washington, D. C. Business Manager, John G. Hanrahan, Jr., Washington, D. C. 2. That the owners are: (Give names and addresses of individual owners, or, if a corporation, give its name and the names and addresses of stockholders owning or holding 1 per cent or more of the total amount of stock.) Chamber of Commerce of the United States of America, said body being an incorporated organization under the laws of the District of Columbia, its activities being governed by a Board of Directors, the officers of which are set forth in Exhibit A, attached herewith. 3. That the known bondholders, mortgagees, and other security holders owning or holding 1 per cent or more of total amount of bonds, mortgages, or other securities are: (If there are none, so state.) None. 4. That the two paragraphs next above, giving the names of the owners, stockholders, and security holders, if any, contain not only the list of stockholders and security holders as they appear upon the books of the company but also, in cases where the stockholder or security holder appears upon the books of the company as trustee or in any other fiduciary relation, the name of the person or corporation for whom such trustee is acting, is given; also that the said two paragraphs contain statements embracing affiant's full knowledge and belief as to the circumstances and conditions under which stockholders and security holders who do not appear upon the books of the company as trustees, hold stock and securities in a capacity other than that of a bona fide owner; and this affiant has no reason to believe that any other person, association, or corporation has any interest direct or indirect in the said stock, bonds, or other securities than as so stated by him. 5. That the average number of copies of each issue of this publication sold or distributed, through the mails or otherwise, to paid subscribers during the six months preceding the date shown above is — (This information is required from daily publications only.)

MERLE THORPE,
Editor, The Nation's Business.

Sworn to and subscribed before me this first day of October, 1919.
(Seal) GEORGE W. LINKINS, N. P.
(My commission expires April 2, 1922.)

Poster Advertising Is NOT CHEAP It Simply Costs Less



To the keen buyer cost is only incidental. Value is the first requisite.

But when the unit of value happens to be identical, cost assumes the importance of a decisive factor.

In advertising the unit of value is circulation per thousand, and the fact that Poster Advertising costs less per thousand and covers the field, is responsible for its unprecedented growth.

Do you know that Poster Advertising is the only single medium that may be used either as a strictly local or as a National medium?

Of course its effectiveness does depend quite a bit upon the method with which it is applied.

Expert knowledge of men and conditions in the poster business increases its value very largely.



IVAN · B · NORDHEM COMPANY

Poster Advertising in the United States and Canada

8 West 40th Street

New York City

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Pittsburgh · Pa.

Canadian Representative:—

The Wadsworth-Nathanson Co.—Toronto, Canada.

The Worst Service—And Best

(Concluded from page 24)

amples from your Australian experience of those things which our advance business agents will learn on going there."

"Good," said the director. "But remember that while what I tell you is critical, adversely critical, I do not mean to imply that all our foreign traders are unskillful in their technique. The United States has both the best and the worst foreign trade service in the world. A few of our largest exporting firms have little to learn from England or any other nation. But a vastly larger number of smaller firms, those as yet without much experience—the Bureau of Foreign and Domestic Commerce wishes especially to help them, and what I shall say will be for their benefit."

"One of my duties in Australia was to talk to the members of commercial, advertising, and travelers' clubs and chambers of commerce. After an address I gave before a group of commercial travelers on American sales methods, a salesman in the audience said: 'We certainly have no objection to sales methods such as you have outlined, but do your salesmen always follow them? The other day I was in a chemist's shop with an American salesman when a customer came in and asked for something to cure a cold. The proprietor produced a bottle, saying that it was the best remedy he knew and that the price was a shilling. The customer bought it and went out. Whereupon, the American salesman turned to the proprietor and said: "You're no salesman at all! That chap didn't know what he wanted. You could have sold him something for six shillings just as well as not."'

"This sort of thing the Australians call pirating markets. They say that we Americans have sometimes been injurious to their business because we sell without expecting to come again. The irony of this situation is that, while we have carried the idea of service in our business further here at home than any other nation, we have not always carried this excellence of method overseas. The time has come when our foreign trade deserves a long-time, constructive policy."

Personal Contact Essential

"THERE were brilliant exceptions to our use of bad technique. One day, for instance, in passing the shop of one of the principal haberdashers in Melbourne, I noticed a display of both American and British hats. A higher price was put on the American product—they were Stetsons. I entered and asked the proprietor how he could afford to charge more for the American hat."

"'Oh, I don't know,' he replied; 'I am not sure it is a better hat; but the American firm that makes it and sends it to us is a wonder. Along with the shipments it sends us, for instance, a little booklet called "Aids to Service." This booklet contains a practical line of talk about the merits of the hat and also suggests ways to display and sell it. We believe in that firm. We are enthusiastic over it. So we charge more for its line—and get it, too!'"

"Personal contact, then, is as important in foreign as it is in domestic business?"

"Indeed it is. The best technique, the technique that gets results, develops not only personal contact but sentiment as well. You can't make a people like goods when they don't like the people who produce them. So careful have British manufacturers been to

maintain the quality of their shipments to Australia, so minute and persistent has been the personal attention they have given them, that the merchants of the great South Seas dominion have preferred to do business with them. They have confidence in British quality."

"It is time for us to develop the same confidence in American goods."

"Because of our past omissions in these respects, we have a good deal to overcome in Australia and in other newer markets. Our future agents going down there for a time are going to turn up some gruesome trade skeletons. These bones will cause them many regrets. I often chanced on them myself. Once, for instance, I called upon a big importer in Launceston, Tasmania. I was ushered into The Presence. My confident hopes were dashed down at seeing The Presence rise from his desk and point to a letter pinned on the wall. The letter was from a big American firm and was addressed to this Tasmanian firm thus: 'Messrs. X & Co., Launceston, China.'"

"Mistakes like this error in an address will seem like unimportant trifles; but a trifle, especially if it hits a man's vanity, will cause as much injury as real disaster."

Director Kennedy has enjoyed the enviable opportunity of studying John Bull's foreign trade at both ends of the line. In Australia he watched him promote, deliver and distribute; in London, whither he went as commercial attaché in 1917, he saw cousin—now brother—John sell, pack and ship. Moreover, he became a part of the diplomatic side of international business by working in close contact with Ambassador Page. When the war-born British Department of Overseas Trade was organized, Attaché Kennedy was accorded many friendly confidences.

"The most telling difference between London's manner of handling overseas business and that of, say, New York," said Director Kennedy, speaking of his London experiences, "is the existence in London of large buying houses established there by colonial firms. Instead of the manufacturers having agencies in the colonies, the colonies also have their own representatives in the home country. This is an excellent technical advantage. The buyers pay the cost of these branches, to be sure, but British goods and British consideration for foreign markets make these investments pay well."

"The right technique in foreign trade," concluded Director Kennedy, "keeps all the financial, shipping and bargain-hunting channels open. To use another figure, it oils the wheels of trade, prevents friction and waste, soothes sensitive feelings, and promotes friendly cooperation and international goodwill along with business. The machinery of overseas trade must be fool-proof. Hitherto lack of experience and the disruptions of war have prevented our constructing enough machinery of this type, but we've made a good beginning, we've learned a lot about the right designs, and now, with a new and tremendous compulsion upon us, we're soon going to have some fool-proof machinery of our own!"

The new Director of the Bureau of Foreign and Domestic Commerce is the liaison office between the Government and the "front offices" of our country. He knows what these offices need to know about markets and customers overseas, and he is eager to supply the information.

When Attaché Kennedy was first getting acquainted with the furniture of his office, last July, a file clerk who came into his office remarked that he felt pretty well acquainted

with him, since it has been his duty to file away the trade reports which Attaché Kennedy had sent from Australia. "When I heard that," the new director explains, "I felt that that file clerk was an avowed enemy of mine. As an attaché, I wished very much to make reports of practical value to business men and to see them circulate where they would bring results. The idea of them being filed away—it was a hard thought."

The Organization's There

THERE probably exists nowhere in the world an organization comparable to his for performing a service of this kind. His far-flung lines of trade investigators include fourteen commercial attachés stationed in the fourteen leading capitals and trade centers of the world, trade commissioners who take whole continents as their field of operation and pursue the trail of a single class of goods for two years at a time. His foreign staffs also include twenty assistants to these workers. Besides this, he receives a constant stream of reports through the State Department from our five hundred consuls stationed in every port and trade region of importance on the globe.

Such is the extent of his production department. His administrative, sorting, editing, statistical, and mailing divisions in the Washington office number seventeen in all. For distributing centers he controls fifteen district offices in New York, Boston, Chicago, St. Louis, New Orleans, San Francisco and Seattle, and cooperative offices in Cleveland, Cincinnati, Los Angeles, Philadelphia, Portland, Ore., Dayton, and Pittsburgh. These branches retail to business men the practical assistance which Director Kennedy is anxious to give.

While interviewing Director Kennedy, I raised a point concerning which, I felt sure, many business men who have sought trade information in Washington in the past would be glad to have enlightenment. Some of these seekers after information have been puzzled to know just which department of the Government they ought to address themselves to. They seem to feel that there is lack of coordination in distributing the information in the possession of the different departments. I asked Director Kennedy as to this. Here is his answer: "The Bureau of Foreign and Domestic Commerce has been designated as the special custodian of all governmental foreign trade data of value to business men. If we haven't got under our own roof what an inquirer wants, we'll get it. If it's in Washington, we'll get it. If it isn't, we'll go to the ends of the earth to find it."

Director Kennedy is aware of all the barriers and pitfalls which stand before our future foreign trade advance. He knows that with an unbalanced exchange, diminished buying power abroad, and the possibilities of double taxation for those who would establish agencies on other shores, our exporters and importers are going to have to sit up nights for months to come. But—

"Great deeds," he says, "come from a great spirit. In 1865 our men, returning from hard-fought battle fields, struck out westward, often on foot, and the winning of our golden West went forward to the great benefit of this nation. There is today another opportunity which calls for the same vision, adaptability and hardihood—it lies overseas wherever there is work to be done to make industry thrive and peoples more prosperous and happy."

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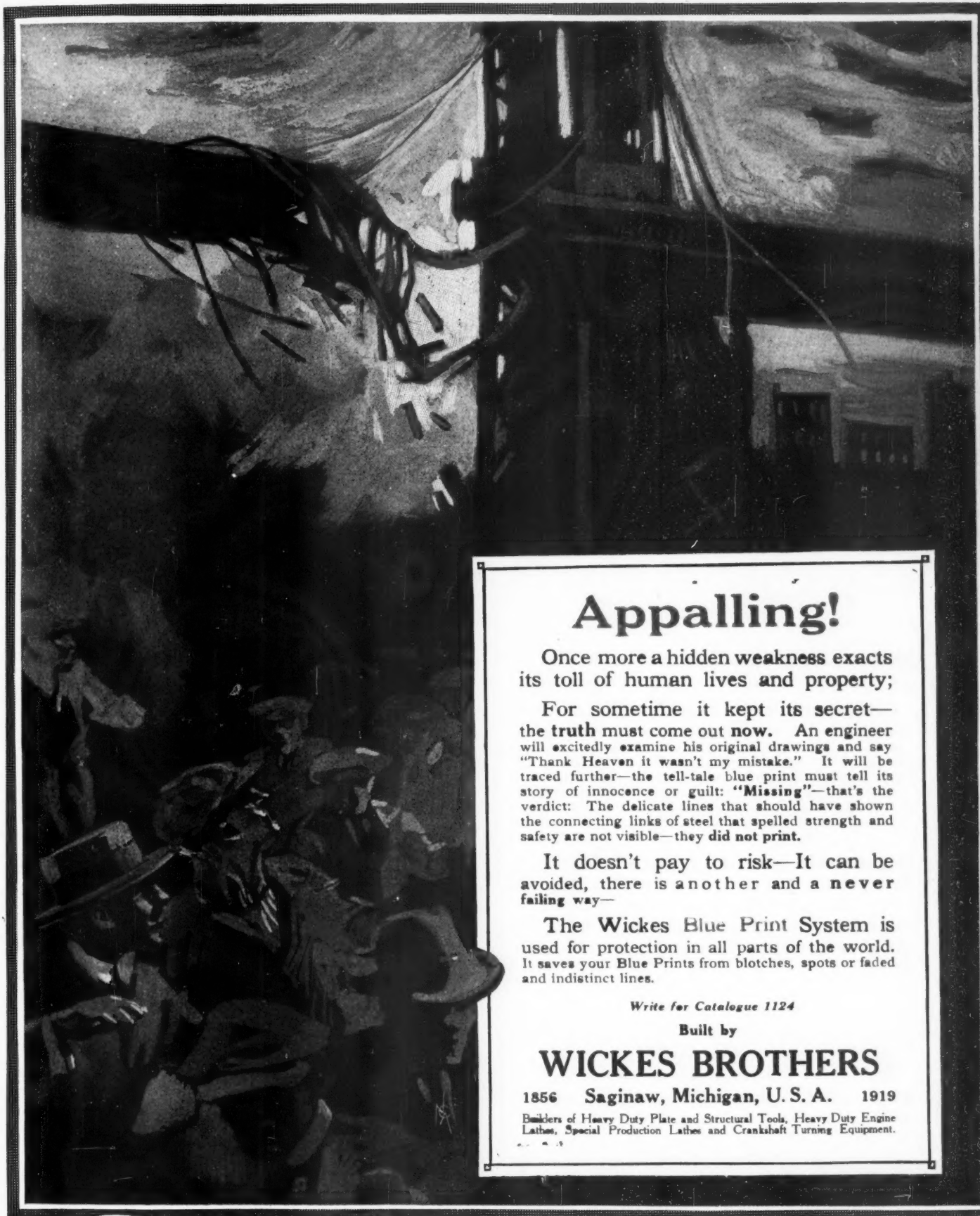
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Appalling!

Once more a hidden weakness exacts its toll of human lives and property;

For sometime it kept its secret—the truth must come out now. An engineer will excitedly examine his original drawings and say "Thank Heaven it wasn't my mistake." It will be traced further—the tell-tale blue print must tell its story of innocence or guilt: "Missing"—that's the verdict: The delicate lines that should have shown the connecting links of steel that spelled strength and safety are not visible—they did not print.

It doesn't pay to risk—It can be avoided, there is another and a never failing way—

The Wickes Blue Print System is used for protection in all parts of the world. It saves your Blue Prints from blotches, spots or faded and indistinct lines.

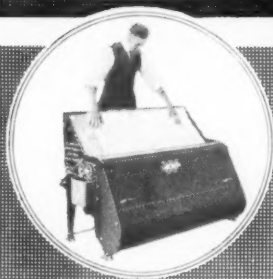
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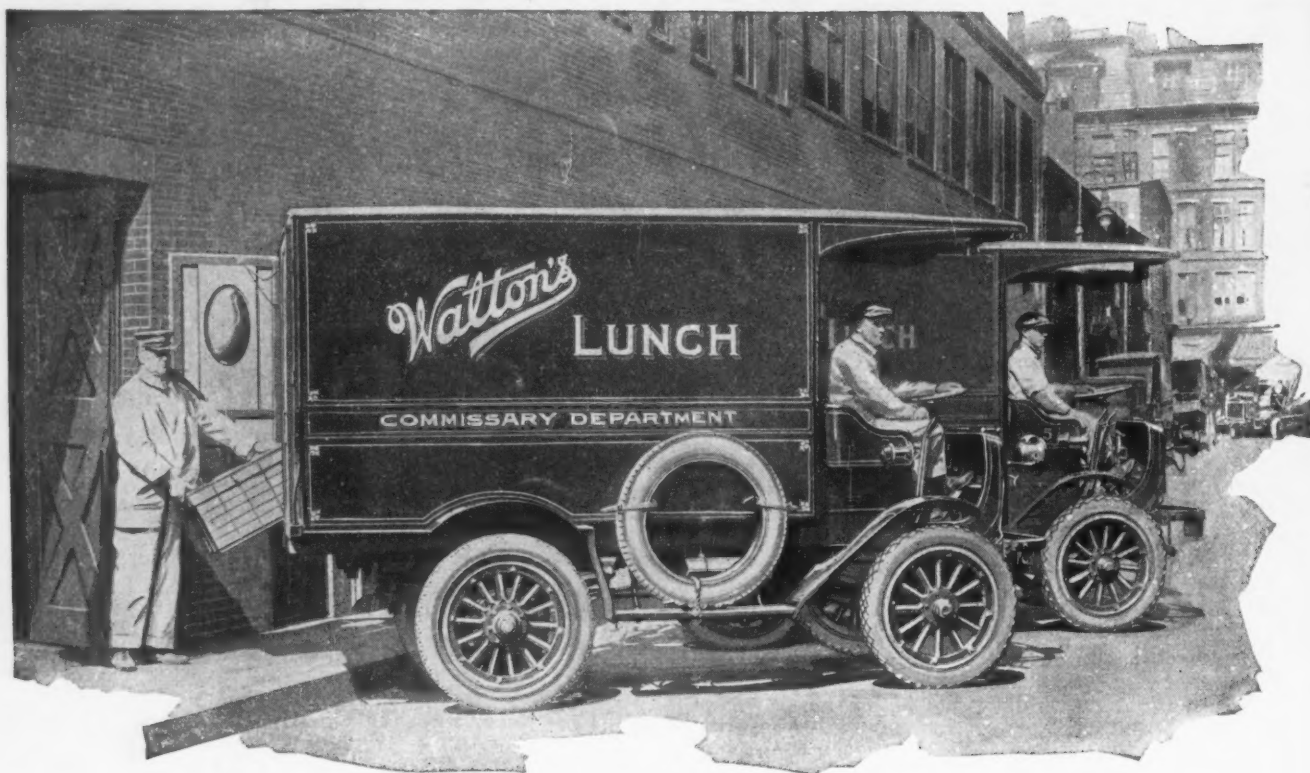
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